

FBIS**DAILY REPORT**
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PRAVDA REPEATS DEMAND FOR U.S. ARMS CONCESSIONS

OW031428 Beijing XINHUA in English 1420 GMT 3 Jun 85

[Text] Moscow, June 3 (XINHUA) -- The Soviet Communist Party newspaper PRAVDA today repeated the demand that the United States modify its position and make concessions at the Geneva talks.

In a commentary yesterday, PRAVDA said, "The ball is now in Washington's court and the future will show if the U.S. side is prepared to correct its stand and seek mutually acceptable accords on the basis of the avowed goals of the talks." The commentary said the current U.S. positions were "absolutely nonconstructive."

PRAVDA charged that the United States tried in every way to legalize its plan for the militarization of space, complaining that the U.S. Government did not respond to the Soviet proposal for freezing nuclear weapons and research on space weapons.

PRAVDA stressed once again that the space weapon is the focus in the Soviet-American relations, saying "The prevention of the militarization of space and renunciation of the development (including research), testing and deployment of attack space weapons would pave the way to radical reductions in nuclear arms arsenals."

Meanwhile, THE NEW YORK TIMES Sunday edition (June, 2) quoted U.S. Administration officials as saying that President Reagan has concluded that the Soviet Union had hardened its positions on arms control and has ordered U.S. negotiators to stand firm until the Soviets "get serious."

One senior U.S. State Department official was quoted as saying, "There is no sign that any likely Soviet proposal will be attractive enough to push us off our dime."

Other U.S. officials indicated that American negotiators would link the new round of talks with prospects for a summit meeting later this year between Reagan and Soviet leader Mikhail Gorbachev. The Soviet Union has declined to specify the time and place for such summit.

Observers here say that the positions of the two sides show that there is little possibility for substantial progress in the second round of the Geneva talks.

PEACE FORUM ADDRESSES NUCLEAR ARMS, DISARMAMENT

OW040900 Beijing XINHUA in English 0834 GMT 4 Jun 85

[Text] Beijing, June 4 (XINHUA) -- Li Yimang, president of the Chinese Association for International Understanding, said here today that the one billion Chinese love peace and support disarmament. Li said this at a Beijing forum on safeguarding world peace, which opened here this morning.

Over 60 people representing some 50 peace organizations from more than 20 countries joined 40 Chinese representatives to discuss peace at the three-day forum.

Li said that China supported the proposition that nuclear disarmament be carried out together with conventional disarmament. In recent years, he said, China had converted military production into civilian production on a large scale and drastically reduced the size and establishment of its Army.

He said that although China developed a minimal number of nuclear weapons to foil the nuclear blackmail of the superpowers, it had pledged in 1964 never to be the first user of nuclear weapons, and not to proliferate nuclear weapons or deploy nuclear weapons abroad. With the growth of its economy and strength, China would contribute more to world peace, he said.

The most urgent task, he said, was to stop the arms race and rivalry for world hegemony between the two superpowers, eliminate the nuclear threat and prevent a nuclear war.

Li called on the two superpowers to conduct negotiations on arms control in earnest, reach genuine agreement on disarmament, take the lead in halting the testing, improvement and production of nuclear weapons and space weapons, stop deploying nuclear weapons in other countries and drastically reduce their nuclear arsenals.

On this basis, he added, all countries with nuclear weapons should hold comprehensive nuclear disarmament negotiations and seek to reach fair and reasonable agreements so as gradually realize the total prohibition and complete destruction of nuclear weapons.

Li said that another world war did not happen in the last forty years because of the will of the people. Their desire for peace and opposition to war, especially to nuclear war, provided the genuine "deterrent".

He pointed out that the escalated arms race of the two superpowers would hamper the economic development and people's life of not only their own countries but also of some developed countries.

He called for an end to arms race so that funds and resources could be used to improve people's life of the countries concerned and to aid the economic development of Third World countries, which could become a powerful factor in promoting world economic prosperity and world peace.

Li Yimang said that unless hegemonist policies were opposed, neither world peace, nor regional peace, nor a country's own security could be achieved or maintained.

He said that peace movement in the world, which was checking the arms expansion and war preparations of the superpowers, reflected the strong aspiration of the world people to safeguard peace.

He expressed the belief that world peace movement would grow and the cause of safeguarding world peace would be enhanced with strengthened unity of peace movements in various countries.

The forum is the first international one sponsored by a non-government Chinese organization in 20 years.

Vice-Chairman Zhu Xuefan of China's National People's Congress Standing Committee and Vice-Chairman Zhao Puchu of the National Committee of the Chinese People's Political Consultative Conference were present at the opening ceremony of the forum this morning.

Prominent participants at the forum include Tokuma Utsunomiya, president of the Japan-China Friendship Association; Aldo Tessio, president of "appeal of the 100 for survival" and adviser to the Argentine president; Melinda Fine, international coordinator of nuclear weapons freeze campaign of the United States; Mirza Hameedullah Beg, president of the minorities commission of India; and Ken Coates, a leading member of the Bertrand Russell Peace Foundation of Britain.

RENMIN RIBAO FOREIGN EDITION TO HAVE DENG MESSAGE

OW011936 Beijing XINHUA in English 1921 GMT 1 Jun 85

["'Give My Regards to Overseas Friends,' Says Deng Xiaoping" -- XINHUA headline]

[Text] Tokyo, June 1 (XINHUA) -- When the first overseas edition of the PEOPLE'S DAILY is launched in July, it will carry a greeting from Chinese leader Deng Xiaoping to all friends of China living abroad.

This was announced today by Qin Chuan, director of the PEOPLE'S DAILY, the official organ of the Chinese Communist Party. Qin spoke at a reception here to publicize the new venture.

Beginning July 1, the PEOPLE'S DAILY overseas edition will be printed and distributed to Tokyo, New York, San Francisco, Paris, Hong Kong and other places.

On hearing that Deng Xiaoping's message would be, "Give my regards to overseas friends", the overseas friends attending the reception gave their warm applause. Many Overseas Chinese and Japanese friends expressed their delight over the idea of the overseas edition.

The delegation of the PEOPLE'S DAILY led by Qin Chuan arrived in Japan on May 20. During the past ten days, the delegation was received by Prime Minister Yasuhiro Nakasone. It visited Tokyo, Osaka, Kyoto, Okinawa and Nagasaki. The delegation will leave for home tomorrow.

XINHUA ROUNDUP VIEWS U.S.-EEC FARM DISPUTE

OW020850 Beijing XINHUA in English 0819 GMT 2 Jun 85

["Round-Up: U.S.-EEC Dispute on Farm Policy Heats Up (by Yang Li)" -- XINHUA headline]

[Text] Beijing, June 2 (XINHUA) -- A long-running dispute between the United States and the European Economic Community on trade policy, farm policy in particular, is heating up in the wake of Washington's recent announcement of a 2-billion-dollar subsidy program to boost its agricultural exports.

The United States has for years accused the community of stealing traditional foreign markets from the U.S. farmers by using subsidized exports.

The "export PIK (payment-in-kind)" program announced by U.S. Secretary of Agriculture John Block in mid-May is apparently designed to compete with EEC nations in dumping farm surpluses on the world market.

Block described the new export subsidy program "as a counter to unfair trade practices in the present -- and as an encouragement to trade talks" in future. He said that unfair trade practices of some countries, particularly those in the European Community, are hurting the competitiveness of U.S. farm products.

Block told a conference on business planning on May 30 in Nebraska that "this policy (the payment-in-kind program) is not one we would freely choose." "We must take a realistic look at where we stand... we have no choice but to begin to fight," he added.

The aggressive U.S. farm policy has prompted angry responses and criticism from its European trade partners. EEC Commission Vice President Frans Andriessen criticized Washington for trying to lower its food prices in order to recapture markets. He asked the EEC earnestly to be firm in face of the U.S. challenge.

EEC Commissioner for External Relations Willy de Clercq said recently in Brussels that the U.S. subsidy program might breach international trade regulations. The Reagan government decision, he said, would not be conducive to promoting the spirit of dialogue between the United States and the European Community for an improvement in the GATT system.

Agricultural commodities are the biggest item in U.S. exports. However, under the weight of the strong dollar, reduced world demand, and strong competition, the overall U.S. share in world grain trade fell from 58 percent in 1980 to less than 49 percent last year; and agricultural products export earnings are expected to fall to 35 billion dollars this year from 38 billion dollars in 1984, far below the 1981 peak of 43.8 billion dollars.

At home the U.S. has good harvests for three years running since 1980 and stores about 46 million tons of coarse grains and 38 million tons of wheat. The largest grain stock holder in the world has to pay about 6 billion dollars for the stores of its grain surplus. The U.S. farmers are finding the time very tough for them. According to U.S. economists' estimate, some 150,000 farmers might be forced to quit farming this year. Under the pressure by farmers' lobbyists for protectionism, the Reagan government accepted the program as part of the deficit-reduction package in order to win backing in the Senate for cuts in farm price supports.

The EEC has long pursued a policy of farm export subsidies and repeatedly refused to consider the U.S. proposal to remove such subsidies. It argued that the community cannot exist without the common agricultural policy. Last year, the EEC spent 12.6 billion dollars, about 70 percent of its budget on agriculture.

Many EEC officials fear that the price drop which might be caused by the U.S. move, will push up the spending of the community and increase its subsidies paid to exporters to bridge the gap between its high prices and lower world market prices.

In addition, thanks to a bumper harvest last year, which at 150 million tonnes was larger than that of the U.S. for the first time in history, the Community's silos are overflowing with unwanted grain, likely to swell to 26 million tons.

Pitched by the grain surplus crisis, the EEC will not easily swallow the bitter pill made by the United States. Some U.S. legislators spelt out their fear that EEC nations will retaliate by lowering their export prices further or seek to restrict imports of some U.S. farm commodities.

The U.S.-EEC dispute on agricultural trade has been protracted, flaring up at times as the interest conflicts between the two sides developed. Although both sides tied by Atlantic alliance are seeking to solve this thorny problem to avoid impacts on their political relations, a proper solution seems still far away.

AFP REPORTS HAN XU ON TAIWAN, U.S. RELATIONS

HK031033 Hong Kong AFP in English 0935 GMT 3 Jun 85

[Text] Washington, June 3 (AFP) -- The New Chinese ambassador to the United States has urged Americans to consider the British agreement to return Hong Kong to China as an example for Taiwan, warning that U.S. Taiwanese ties could lead to serious friction with Beijing.

In an interview with a news agency, Han Xu, the third ambassador here since U.S.-Chinese ties were restored in 1979, noted other problems in relations, including the deadlock over nuclear cooperation caused largely by Beijing's refusal to accept U.S. controls. He also mentioned points of discord on trade.

But he emphasized the Taiwan question, which he called a "crucial issue." Mr. Xu warned that the United States must carry out its pledge to stop supplying weapons to Taiwan, and voiced regret at the slowness with which the sales were being reduced.

Mr. Xu noted that this year, the United States was selling 760 million dollars worth of arms to Taiwan, "a cut of 20 million dollars per year."

"By this speed," he continued, "it would take 38 years more. I have no chance to see the solution in my life.... the speed is too slow. We expected it not to be so slow."

Mr. Xu also denounced the use of a nominally unofficial body, the Coordination Council for North America, to retain U.S.-Taiwan ties. The U.S. granting of diplomatic privileges to Taiwanese members of this body, he said, constituted a violation of Chinese sovereignty.

Mr. Xu said that Beijing considered the recent British agreement to return Hong Kong to China in 1997 should serve as a model for the U.S. stance on Taiwan.

"We hope the United States will not pose any obstacles," he said. "We hope the U.S. will not do anything to hurt the feelings of the Chinese people because the unification of China is a very sensitive national sentiment of the whole Chinese people."

On other issues, Mr. Xu said that a U.S. Chinese accord on nuclear cooperation, initialled during President Ronald Reagan's visit last year, had not been applied. Thus, he said, "is not because of the Chinese side."

The United States has expressed concern over China's reluctance to accept outside checks on what it does with nuclear waste and over its refusal to sign the nuclear non-proliferation treaty. China maintains that the treaty freezes a U.S. and Soviet advantage in nuclear arms.

"We are not going to proliferate to another country, including nuclear arms," Mr. Xu said. "We have done everything. No more."

Now, he added, China is "not so anxious" to have the nuclear cooperation accord put into effect.

DPRK WHITE PAPER DENOUNCES U.S. 'WAR DESIGNS'

OW040758 Beijing XINHUA in English 0740 GMT 4 Jun 85

[Text] Pyongyang, June 4 (XINHUA) -- The Korean Committee for the Peaceful Reunification of the Fatherland has strongly condemned the United States and South Korea for their intensified preparations against the northern part of Korea.

A white paper released by the committee yesterday said that the United States is increasing its military strength in South Korea from 39,000 troops in the past to 41,000 at present. Meanwhile, the South Korean Army has also increased from 700,000 to approximately one million. Washington reportedly has decided to provide the South Korean authorities with eight billion U.S. dollars' worth of military equipment.

To make things even worse, said the paper, 80 percent to 90 percent of U.S. and South Korean troops have been deployed along the Korean Military Demarcation Line where they have dug tunnels to the North in the name of "resources investigation", and often conducted military exercises. These actions, the paper pointed out, are going counter to peace and dialogue.

The committee called on all peace-loving parties, communities and governments all over the world and international organizations to condemn the war designs of the United States and South Korean authorities, and give positive support to the Korean people in their just struggle to realize the peaceful reunification of the fatherland.

U.S. RECONNAISSANCE PLANE VIOLATES DPRK AIRSPACE

OW010854 Beijing XINHUA in English 0750 GMT 1 Jun 85

[Text] Pyongyang, June 1 (XINHUA) -- A U.S. high altitude reconnaissance plane violated the airspace of the Democratic People's Republic of Korea Friday over the waters east of Kangwon Province, KCNA reported today. Since early last month, U.S. planes have violated DPRK airspace more than ten times, the report said. This showed that the United States is intending to aggravate the situation on the Korean peninsula, the report added.

PRC MEMBER OF KOREAN MAC LEAVES POST FOR HOME

OW011610 Beijing XINHUA in English 1446 GMT 1 Jun 85

[Text] Pyongyang, June 1 (XINHUA) -- Wang Jian, member of the delegation of the Chinese people's volunteers of the Korean-Chinese side to the Korean Military Armistice Commission (KMAC) left his post for home today. Vice President of the Democratic People's Republic of Korea Yi Chong-ok awarded Wang Jian with "the National Flag Medal, Second Class" on May 27. Senior member of Korean-Chinese side to the KMAC Yi Tae-ho, Korean Vice Premier and Foreign Minister Kim Yong-nam and Chief of the Staff of the Korean People's Army O Kuk-yol met Wang and gave him a farewell dinner respectively.

BEIJING-PYONGYANG TRAIN SERVICE EXPANDED

OW011754 Beijing XINHUA in English 1637 GMT 1 Jun 85

[Text] Pyongyang, June 1 (XINHUA) -- The international passenger train between Beijing and Pyongyang will run four times a week beginning June, according to an agreement between the Chinese and Korean railway departments. The increased services are scheduled on Monday, Wednesday, Thursday and Saturday.

In the past few years, with the increase of passenger transport volumes, the original running services, two times a week, can hardly meet the needs. It is conducive to easing up difficulties in buying tickets by an increase in the running services.

JIANGSU DELEGATION LEAVES NANJING FOR DPRK

OW040505 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 1 Jun 85

[Text] At the invitation of Chairman Choe Pok-kyon of the DPRK Kangwon Provincial People's Committee, a Jiangsu provincial good-will delegation, with Governor Gu Xiulian as its leader and Jin Xun, adviser to the Jiangsu Provincial People's Government, as its deputy leader, left Nanjing by train at noon today for a friendly visit to Kangwon Province.

A Kangwon provincial good-will delegation led by Chairman Choe Pok-kyon visited our province last November. Chairman Choe and Governor Gu signed an agreement on the formal establishment of friendly relations between Jiangsu and Kangwon. This is the first Jiangsu provincial good-will delegation to visit Korea since the signing of the agreement.

While staying in Kangwon Province, the delegation will visit factories, cooperative farms, schools, and other units.

Governor Gu Xiulian and her party will discuss with Kangwon Province's leaders the further development of economic, technical, and cultural cooperation and exchanges between the two provinces.

The delegation will also visit Pyongyang, [words indistinct], and other places.

Governor Gu and her party were seen off at the railway station by Vice Governor Chen Huanyou and responsible persons of departments concerned.

S. KOREAN STUDENTS DEMAND RELEASE OF DETAINEES

OW311146 Beijing XINHUA in English 1043 GMT 31 May 85

[Text] Pyongyang, May 31 (XINHUA) -- South Korean students recently staged demonstrations in Seoul to press their demand for the immediate release of 25 arrested students. Reports received here said the students arrested were among those who had occupied the U.S. Information Service Building in Seoul from May 23 to 26.

On May 23, more than 100 students from five South Korean universities took to the streets and then occupied the U.S. Information Service Building in Seoul, demanding that the United States apologize for its support for the Kwangju massacre in 1980, in which 191 students were reportedly killed. The students accused the United States of supporting the sending of troops into the Kwangju area at that time.

The South Korean authorities nabbed 25 of the students after they ended their occupation of the building on May 26 and put 43 people on an "extemporaneous trial", according to the reports of the KOREAN CENTRAL NEWS AGENCY. They also threatened to investigate the other students who were involved in the occupation.

Later, on May 29, police reportedly arrested more than 130 other students when the latter held a demonstration to protest against the action of the authorities.

PRC TO GET \$2 BILLION FROM JAPAN FOR 5-YEAR PLAN

OW031242 Beijing XINHUA in English 1232 GMT 3 Jun 85

[Text] Beijing, June 3 (XINHUA)--China will borrow two billion U.S. dollars from Japan for its Seventh Five-Year Plan (1986-1990), the newspaper INTERNATIONAL BUSINESS reports today.

A memorandum for the 10-year loan was signed here on May 6 between the Bank of China and the Bank of Tokyo. The final agreement will be signed this month, the paper says.

The loan will be used to import technology and equipment, develop the country's natural resources and renovate existing enterprises.

In 1982 the Bank of China borrowed 70 billion Japanese yen to import complete sets of equipment for the Baoshan iron and steel company near Shanghai and the Daqing oilfield in northeast China. Over the past four years, China has also issued bonds of 125 billion yen in Tokyo.

OFFSHORE OIL CORPORATION OPENS OFFICE IN JAPAN

CW311941 Beijing XINHUA in English 1931 GMT 31 May 85

[Text] Tokyo, May 31 (XINHUA)--A ceremony to open the Tokyo-based office of the China National Offshore Oil Corporation (CNOOC) was held tonight at the New Otani Hotel.

Speaking at the ceremony, CNOOC General Manager Qin Wencai said the representative office has been set up at the time when the Sino-Japanese Offshore Oil Corporation is flourishing. The main task of the office, he said, is to promote the development of cooperation between China and Japan and strengthen and expand contacts with the Japanese business and financial circles.

Qin said oil and gas were discovered at seven places in Bohai Sea by the two sides. He added that he hopes the cooperation between China and Japan will expand.

Among more than 350 people attending the ceremony were president of the Japan Oil Public Corporation Toshinobu Wada and Chinese Ambassador to Japan Song Zhiguang. Speaking at the ceremony, Toshinobu Wada expressed his hope that Sino-Japanese cooperation in offshore oil drilling would be strengthened.

STATE COUNCILLOR KANG SHIEN LEAVES FOR JAPAN

OW030240 Beijing XINHUA in English 0234 GMT 3 Jun 85

[Text] Beijing, June 3 (XINHUA)--Chinese State Councillor Kang Shien left here this morning to pay a visit to Japan as guest of Minister for International Trade and Industry Murata Keijiro. Seeing him off at the airport were Tang Ke, minister of petroleum industry; Chen Jinhua, general manager of the China Petrochemical Corporation; and Zhong Yiming, vice-president of the China National Offshore Oil Corporation.

FURTHER ON VISIT BY BURMESE DELEGATION TO PRC

Yao Yilin Meets Delegation

OW311803 Beijing XINHUA in English 1513 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- Chinese Vice-Premier Yao Yilin met here this afternoon a delegation of Burma's People's Congress led by U Thant Sin, member of the congress' Panel of Chairmen. During the meeting, Yao welcomed the Burmese delegation and said that exchanges of visits and close cooperation between leaders of the two countries had greatly promoted Sino-Burmese friendship. U Thant Sin replied that young Burmese leaders, like their seniors, attach great importance to the friendly cooperation between the two countries. Yao briefed the Burmese visitors on China's economic reform and its open policy.

Ye Fei Holds Talks

OW311933 Beijing XINHUA in English 1551 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- Ye Fei, vice-chairman of the Standing Committee of the Chinese National People's Congress, held talks with a delegation of the Pyithu Hluttaw (people's congress) of Burma led by a member of its Panel of Chairmen, U Thant Sin, here today. The two sides shared their congressional experiences. In the evening, U Thant Sin gave a return banquet for Ye Fei at the Burmese Embassy here. Also present on both occasions were other Chinese NPC Standing Committee officials and Burmese Ambassador to China U Hla Shwe.

U Thant Sin Speech at Banquet

BK021142 Beijing International Service in Burmese 1300 GMT 1 Jun 85

[31 May speech by U Thant Sin, head of Burmese People's Assembly delegation, at return banquet given in honor of Ye Fei at Burmese Embassy in Beijing -- recorded]

[Text] Your Excellency Vice Chairman of the National People's Congress and distinguished guests: I and all the members of my delegation have great pleasure in hosting a return banquet in honor of Your Excellency and members of the NPC Standing Committee during the good-will visit to Your Excellency's country by us -- a delegation of the People's Assembly of Burma.

The warm welcome, friendly and intimate reception, and cordial hospitality accorded to us ever since we set foot in China by Your Excellency, the Chinese friends, and the people make us feel that we are personally experiencing the love and goodwill of the Chinese people for the people of Burma. In other words, we are experiencing the profound friendship that has been nurtured and promoted by the far-sighted leaders of our two countries. Such experiences will also remain in our hearts forever.

Your Excellency Vice Chairman of the NPC Standing Committee: We are very happy that the leaders of Your Excellency's country have received us with friendship and intimacy during our stay here. Our delegation has had the opportunity to visit and study places of historical and cultural significance in Beijing. During such a visit, we happily witnessed the Chinese people under the leadership and guidance of state leaders working earnestly for national development.

As Your Excellencies are probably aware, Burma is a developing country, and we are striving in our own fashion to develop the standard of living of our people. We are very grateful for the good-will assistance and cooperation given by the PRC to the development endeavors of our country.

Your Excellency Vice Chairman of the NPC Standing Committee: Our Delegation has had mutually beneficial exchanges of views and experiences. This has enabled us to understand each other better and has brought us closer. This will contribute to strengthening and developing friendly relations between our two parliaments and peoples.

Ever since our arrival here in China, the reception accorded us by Chinese friends has been complete, as our needs have been looked after in every way. Our stay here has been very pleasant, as if we were back in our own country. For this, I wish to thank all the Chinese friends.

Esteemed Vice Chairman of the NPC Standing Committee, distinguished guests and friends: Our delegation will soon be leaving the Beijing capital and will continue on a study tour as earlier arranged, after which we shall be leaving for Burma. On our way back, we shall be taking along with us the kindred friendship and goodwill of the Chinese people. In conclusion, please join me in toasting the continued progress and prosperity of the PRC and the Chinese people, the ever-growing close relations between the People's Assembly of the Socialist Republic of the Union of Burma and the PRC NPC, the health and well-being of esteemed Chairman Deng Xiaoping, the health and well-being of esteemed President Li Xiannian, the health and well-being of esteemed Chairman of the NPC Standing Committee Peng Zhen, the health and well-being of Vice Chairman Ye Fei and members of the NPC Standing Committee, and the health and well-being of the distinguished guests and friends. [applause]

Ye Fei Speech at Banquet

BK021200 Beijing International Service in Burmese 1300 GMT 1 Jun 85

[31 May speech by Ye Fei, vice chairman of the National People's Congress Standing Committee, at banquet given by U Thant Sin, head of the Burmese People's Assembly delegation, at the Burmese Embassy in Beijing -- recorded in Mandarin fading into Burmese translation]

[Text] Esteemed Excellency U Thant Sin, friends, and comrades: Because of the invitation by His Excellency U Thant Sin, my colleagues and I are very happy to have another opportunity to meet and exchange endearing words of friendship at this banquet with Burmese friends who are in the same field of work that we are. On behalf of my Chinese comrades here, let me express my deep gratitude to His Excellency U Thant Sin for the cordial invitation.

In the past 2 days, His Excellency U Thant Sin and members of his delegation have had cordial and friendly meetings with Standing Committee Chairman Peng Zhen and Vice Premier Yao Yilin. They have also met Chinese people and toured Beijing. U Thant Sin and I have also held very beneficial [akyo shi hla] and friendly talks. The visit this time round by you distinguished guests has contributed to the development of mutual understanding between the Chinese NPC and the Burmese People's Assembly as well as to the friendship between the two peoples. Although your excellencies' stay in Beijing has been brief, your visit has been a very successful one.

Friends and comrades: The major problems existing today, which are significant globally as well as strategically, can be summarized as the issue of safeguarding peace and that of achieving economic development. The serious challenges facing the Third World are how best to preserve peace and achieve development. In order to ensure peace, it will be necessary to strengthen unity and oppose hegemonism and the practice of power politics.

China and Burma are coiniciators of the Five Principles of Peaceful Coexistence. It is our firm belief that all nations will be able to live in harmony and cooperate in a mutually beneficial manner irrespective of their social systems and ideologies if these principles are adhered to.

China and Burma both desire a peaceful and stable international environment to carry out their economic development and national development tasks. Today, China is directing all its energies and efforts toward building a modern socialist state. We hope to see Burma and all the other Third World countries develop into prosperous and strong nations. The development of the Third World countries can guarantee world peace and is in the fundamental interests of the people throughout the world.

Your Excellency U Thant Sin and friends will be leaving Beijing tomorrow to tour the southern region. The Chinese people will be according you, distinguished guests, a warm welcome wherever you go. We hope that you will be able to make suggestions and offer opinions regarding the tasks we are undertaking. I wish your excellencies a pleasant journey and good health.

In conclusion, let me ask you to join me in toasting the continued development of Sino-Burmese kindred friendship and friendly relations and cooperation between China and Burma, the prosperity of the Socialist Republic of the Union of Burma and the Burmese people, the health of Chairman U Ne Win and President U. San Yu, the health of His Excellency U Thant Sin and members of the delegation, and the health of the friends and guests present. [applause]

Group Arrives in Guangzhou

OW021528 Beijing XINHUA in English 1518 GMT 2 Jun 85

[Text] Guangzhou, June 2 (XINHUA) -- A delegation of the People's Congress of Burma led by U Thant Sin, a member of its Panel of Chairmen, arrived here from Shanghai by air this afternoon in the company of Chen Heqiao, member of the Standing Committee of the Chinese National People's Congress.

They were greeted at the airport by Xue Yan, vice-chairman of the Guangdong Provincial People's Congress Standing Committee, and Li Hui, vice-chairman of the Guangzhou City People's Congress Standing Committee.

This evening the Guangdong Provincial People's Congress Standing Committee gave a dinner welcoming the Burmese delegation.

Upon their departure from Shanghai the Burmese guests were seen off at the airport by He Yixiang, vice-chairman of the Shanghai Municipal People's Congress Standing Committee.

SRV ACCUSED OF MASSACRING CAMBODIAN CHILDREN

OW011050 Beijing XINHUA in English 1034 GMT 1 Jun 85

[Text] Beijing, June 1 (XINHUA) -- Many Kampuchean children have been killed and hundreds of thousands orphaned during the six-year long aggressive war launched by the Vietnamese, Radio Democratic Kampuchea said in an article today.

The Vietnamese invaders have massacred many Kampuchean villagers, not even sparing babies in cradles. The aggressive war has brought great sufferings to Kampuchean children and their parents, the article said.

According to the article, Kampuchean children, aged between 13 and 14, have been forced to go to the battlefields and serve as cannon fodder. The most brutal thing the Vietnamese have done is to draw blood from children, many of whom died due to over-drawing of blood. The article pointed out that the Vietnamese pressganged able-bodied Kampucheans to fell trees and construct roads for them. The Vietnamese also took many Kampuchean children to Vietnam to undergo brainwashing in an attempt to make them serve Vietnam.

JI PENGFEI ON COMMITMENT TO HONG KONG ACCORD

OW311520 Beijing XINHUA in English 1450 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- A senior Chinese official in charge of Hong Kong affairs pledged here today that China would firmly implement the agreement reached between China and Britain on the Hong Kong issue.

Ji Pengfei, state councillor and director of the Hong Kong and Macao Affairs Office under China's State Council, said this in a meeting here today with a visiting group from the Yu Hwa Chinese Products Emporium Ltd. of Hong Kong.

On drafting Hong Kong's basic law, Ji said that the Chinese Government would solicit the opinions of a broad range of people in Hong Kong in order to make it in conformity with the realities there.

China and Britain exchanged instruments of ratification of their joint declaration on Hong Kong on May 27. The entry into force of the declaration marks the start of Hong Kong's 12-year transition period.

DENG YINGCHAO MEETS HONG KONG-MACAO DELEGATION

OW010850 Beijing XINHUA in English 0747 GMT 1 Jun 85

[Text] Beijing, June 1 (XINHUA) -- Deng Yingchao, leader of the Chinese highest political consultative body, here today expressed the hope of extending ties and cooperation between women of Hong Kong and Macao and the Chinese mainland. Deng Yingchao, chairwoman of the National Committee of the Chinese People's Political Consultative Conference, said this while meeting with a women's delegation from Hong Kong and Macao.

The 18-member delegation is led by Tung Tsung Hwa, chairwoman of Women Sub-Committee of the Chinese General Chamber of Commerce of Hong Kong. The meeting took place in the Great Hall of the People.

Noting that today is the International Children's Day, Deng asked the delegation to convey her festival greetings to the children of Hong Kong and Macao and her regards to the women in that region. She wished that women in Hong Kong would work for the prosperity and stability of the region.

XINHUA EXAMINES INDIAN-SRI LANKAN PROBLEMS

OW010938 Beijing XINHUA in English 0910 GMT 1 Jun 85

["Round-up: Fresh Step To Improve Indian-Sri Lankan Relations (by Ma Shengrong)" -- XINHUA headline]

[Text] Colombo, June 1 (XINHUA) -- Sri Lankan President Junius R. Jayewardene left here for New Delhi today for talks with Indian Prime Minister Rajiv Gandhi on improving relations between the two countries. The summit meeting came after months of speculations that the two leaders would meet to discuss the thorny problems between India and Sri Lanka.

This is a fresh step taken by the two leaders to ease the tension between the two countries which built up as early as in 1983 when bloody clashes between the minority Tamils and the majority Sinhalese broke out in the island country causing thousands of Tamils to flee into India.

The Sri Lankan authorities charged that India had set up training camps in the south and sent armed Tamils into northern Sri Lanka to carry out violence. India, in return, accused Colombo of carrying out suppressions against the Tamils and forced them to flee their homeland.

Glimpse of hope for improving the two countries' relations appeared after India's new Prime Minister Rajiv Gandhi took office. He told the lower house of Parliament on January 22 that India was looking forward to a high level contact with President Jayewardene as part of its offer of good offices to find a just solution to the ethnic problem in Sri Lanka. However, Gandhi's initiative was turned down by Colombo. President Jayewardene made it clear that he was in no hurry to restart political discussions at home to resolve his country's increasingly violent Tamil problem. Nevertheless, special envoys of the two leaders have exchanged visits since then and atmosphere for improving relations has been built up gradually.

It is believed that the Jayewardene-Gandhi summit is prompted by the increase of violence in Sri Lanka. The killing of 146 people in the holy Buddhist city of Anuradhapura on May 14 has posed serious questions about the effectiveness of the security system. Opposition parties charged that since the government is not able to protect the people, it should resign.

The Sri Lankan Government failed to achieve any progress in solving the ethnic problem though it has shifted its stress on the military option following the failure of reaching a political solution at the all-party conference last December. On the contrary, violence has spread further southward.

Futhermore, clashes between the Muslims and the Tamils in the eastern province in mid-April have brought a new area of conflict into the island's ethnic problems.

Political observers here note that the Colombo authorities might rethink their strategy and start fresh political moves in solving the problem. A hint in this direction was given by Prime Minister Ranasinghe Premadasa on May 30 when he said that if violent attacks were stopped the government was prepared to recall the Armed Forces to its barracks.

Observers share cautious optimism about the possible result of the summit meeting. On the eve of the summit, Prime Minister Premadasa made it clear that it was the Indian prime minister who could prevail on those who have embarked on violence attacks on Sri Lanka to give up or suspend their terrorist activities, as all "terrorist groups" are based on Indian soil. No one knows whether New Delhi would make any compromise on the matter which it had always denied. In his last public speech before leaving for India, President Jayewardene said yesterday that the principal subject of discussion in New Delhi will be the ending of violence.

FURTHER ON ZHAO ZIYANG, DELEGATION VISIT TO UK

UK Envoy on PRC Ties

OW040525 Beijing in English to North America 0000 GMT 2 Jun 85

[Text] Premier Zhao Ziyang arrives in Britain on Sunday to begin his latest European tour. His trip will also take him to Federal Germany and Holland. The premier's week-long stay in Britain should be politically significant now that the joint declaration on the question of Hong Kong has come into force and the two governments are ready to further expand their trade relations. The British ambassador to China, Sir Richard Evans, spoke with Radio Beijing about current relations between China and Britain. Here is (Fang Huiqiang) with details:

[Begin recording] Ambassador Evans says the relations between China and Britain have been excellent, especially after the signing of the agreement on the future of Hong Kong. He says the document is a great success in international diplomacy.

[Begin Evans recording] The world could draw a lesson from the successful outcome of the joint enterprise represented by the negotiation and the joint declaration. This was for four reasons. It showed that determined negotiation can succeed while confrontation would have led to disaster; it showed that goodwill and friendship can overcome misunderstanding; it showed that an intractable problem inherited from the past could be solved through an imaginative approach; and finally, it showed that differences in international life could be overcome in ways which preserved the autonomy and individuality of the societies affected. [end Evans recording]

China and Britain started the negotiation on the Hong Kong question in 1982 and signed the joint declaration in December last year. Under the agreement, China will resume the exercise of sovereignty over Hong Kong in 1997, but the region will retain its current social and economic systems. Ambassador Evans says the signing of the agreement has removed the obstacles to the development of relations between China and Britain.

[Begin Evans recording] Indeed, I believe that the horizons are almost without limit, and there is currently much scope for political cooperation in the sense of dialogue between our two countries, between our two governments, on issues of common concern. And there is a very long list of such issues. In the economic and commercial sphere, I believe that the United Kingdom can contribute a good deal under each of three headings in which I believe your country to be interested in terms of its policy of opening to the outside world: First, the acquisition of capital from the outside world; second, the acquisition of technology from the outside world; and third, the acquisition of management skills. I am convinced that British industry, the British commercial world in general, can contribute under each of these three headings. [end Evans recording]

China and Britain have already engaged in a wide range of exchanges and cooperation. Schools and universities of both countries frequently exchange scholars and students for academic studies, and cultural troupes tour each other's cities. In economic sectors, China and Britain are cooperating in telecommunications, power generating, offshore oil development, mining, and aerospace industries. Ambassador Evans says such developments are encouraging and potentials for further increase are enormous.

[Begin Evans recording] I think that there is a very considerable future for China in the British market just as I believe that there is a very considerable future for the United Kingdom in the Chinese market. Your economy is expanding or has been expanding faster than our economy. But so much said, I do not see why our trade should not rise to the 2 billion, 3 billion, 4 billion level within the next 10 years from a base of less than \$1 billion at the moment. [end Evans recording]

Before Premier Zhao Ziyang left Beijing on Saturday, he told reporters that his trip is aimed at promoting world peace and China's cooperation with Western Europe, and he is expected to discuss economic relations with leaders of Britain, Federal Germany and the Netherlands. His message is quite clear that China sincerely wants a peaceful international environment to carry out its modernization program and it needs cooperation from Western countries. [end recording]

Thatcher Welcomes Zhao

OW031229 Beijing XINHUA in English 1214 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- Chinese Premier Zhao Ziyang, who arrived here yesterday for a week-long official visit, was welcomed at a formal ceremony today presided over by British Prime Minister Margaret Thatcher. The ceremony took place at the quadrangle of the British Foreign and Commonwealth Office.

Upon his arrival at the quadrangle at 10:00 a.m. (local time), Zhao was greeted by Mrs. Thatcher. She said "warm welcome" to Zhao and presented to him Major General James Eyre, general officer commanding London District.

Eyre then escorted Zhao to the dais over which the national flags of the two countries were fluttering in the breeze. Mrs. Thatcher took up a position on his right and behind the dais which was decorated with fresh flowers. At the captain's order, the guard of honor presented arms in salute. Following the playing of the Chinese national anthem, Premier Zhao, accompanied by Major General Eyre, inspected the guard of honor.

After the inspection, Mrs. Thatcher presented senior British officials to Premier Zhao, who in turn introduced to her Vice-Premier Tian Jiyun, Foreign Minister Wu Xueqian and other senior officials of his entourage.

Following the ceremony, Mrs. Thatcher escorted Zhao to 10 Downing Street where he made a courtesy call on her.

Zhao Meets Opposition Leaders

OW031718 Beijing XINHUA in English 1709 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- Chinese Premier Zhao Ziyang, now on a week-long visit to Britain, met with the opposition leader Neil Kinnock at the Parliament House here this morning.

During a brief conversation in a brisk and friendly atmosphere, Zhao expressed his appreciation of the British Labor Party's position on promoting the development of Sino-British relations and on the settlement of the Hong Kong question. He said he hoped that Kinnock would visit China and that the two sides would make joint efforts to boost bilateral trade. The Labor Party leader told the Chinese premier that he is planning to visit China in the near future.

Present at the meeting were Chinese Vice-Premier Tian Jiyun, State Councillor and Foreign Minister Wu Xueqian, and British opposition party spokesman for foreign and commonwealth affairs Denis Healey.

Zhao also met with Roy Jenkins, former leader of the Social Democratic Party, today. Jenkins recalled his visit to China five years ago in the capacity of chairman of the EEC Commission. Premier Zhao spoke highly of his efforts to work for closer EEC-China ties which had been strengthened during Jenkins' chairmanship from 1977 to 1981.

Meanwhile, Foreign Minister Wu Xueqian had a separate meeting with Russel Johnston, the Liberal Party's spokesman on foreign affairs, to exchange views on international issues.

Meets House of Commons Speaker

OW031904 Beijing XINHUA in English 1855 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- Chinese Premier Zhao Ziyang met Speaker of the House of Commons Bernard Weatherill at the speaker's residence here this morning. The premier was warmly greeted by Speaker Weatherill when he arrived at the residence following a meeting with British opposition leaders. After signing the book of distinguished guests, he was escorted by Weatherill to a lavishly decorated room for coffee.

The Chinese premier, accompanied by Vice-Premier Tian Jiyun and Foreign Minister Wu Xueqian, was welcomed by Lord Hailsham and a group of British parliamentarians. The guests and hosts had free conversations during the 45-minute get-together.

Upon his arrival at the House of Parliament earlier, Premier Zhao was greeted by Robert Adley, the chairman of the British-China parliamentary group who had visited China four times. Adley said he was very glad to meet the premier at Parliament, an occasion he had been for years looking forward to. Zhao praised the effort made by Adley and his all-party group for fostering the development of Sino-British relations.

Trade, Nuclear Energy Pacts

OW031920 Beijing XINHUA in English 1906 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- China and Britain agreed to strengthen economic cooperation and promote cooperation in the peaceful uses of nuclear energy between the two countries. Two related agreements were signed here this afternoon by visiting Chinese Premier Zhao Ziyang and British Prime Minister Margaret Thatcher on behalf of their respective governments. The signing ceremony took place at 10 Downing Street, the first time every for such an occasion.

Among those present at the ceremony were Vice-Premier Tian Jiyun and State Councillor and Foreign Minister Wu Xueqian on the Chinese side and Foreign Secretary Geoffrey Howe and Minister of State of the Foreign and Commonwealth Office Richard Luce on the British side.

The agreement on economic cooperation stipulated that both sides shall create favorable conditions for strengthening economic cooperation between the two countries and for bringing about a rapid increase in their economic ties, and shall strive to promote mutually beneficial and coordinated development of the economic relations of both countries.

Both sides will encourage their firms, enterprises and organizations to develop diversified and mutually advantageous cooperation in the economic, industrial, agricultural and technical fields.

Under the agreement, China and Britain will expand economic cooperation and exchanges involving technology transfers, manufacturing equipment and products in a wide-range of sectors.

The agreement also stipulated that both sides shall provide financial arrangements on as favorable terms as possible for the economic cooperative projects agreed upon by the two sides, within the framework of their respective laws and regulations in force. This agreement goes into effect on 1 January 1986 and shall remain in force until 31 December 1990.

[Beijing XINHUA Domestic Chinese at 1735 GMT on 3 June carries a similar item that adds the following at this point: "If within 6 months before the expiration of this agreement, neither side notifies in writing to the other side declaring that the agreement is void, this agreement shall be automatically extended for another year. It shall continue to be extended in this manner.

The Sino-British agreement on the peaceful uses of nuclear energy provided that the two governments shall strive to promote cooperation between the two countries in the peaceful uses of nuclear energy, and shall encourage cooperation...."]

The second agreement provided that the two governments shall encourage cooperation between the organizations in their respective countries responsible for research in the peaceful uses of nuclear energy, as well as between industrial enterprises concerned with the development of the peaceful uses of nuclear energy in both countries.

The cooperation agreed upon under this agreement shall be exclusively for peaceful purposes. This agreement enters into force upon signature and shall remain in force for a period of 15 years.

[The same XINHUA Chinese item adds the following at this point: "...of 15 years, at the expiration of which, it shall continue to remain in force unless one side notifies the other side in writing of the termination of this agreement 1 year in advance."]

Leaders Discuss Issues

OW032208 Beijing XINHUA in English 2150 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- Visiting Chinese Premier Zhao Ziyang and British Prime Minister Margaret Thatcher today expressed the determination to carry out in full the Sino-British joint declaration on Hong Kong.

British officials told XINHUA that during their first round of talks this afternoon, Premier Zhao noted that the two countries exchanged the instruments of ratification of the Hong Kong joint declaration on May 27 and the Hong Kong agreement was warmly welcomed in China as well as in Hong Kong. Mrs. Thatcher expressed satisfaction with the development of Anglo-Chinese relations following the successful settlement of the Hong Kong issue.

Both leaders said that they are looking forward to further warming-up of relations between the two countries, the officials said. Their talks also covered a wide-range of international issues including the U.S. Strategic Defense Initiative (SDI), known as the "star wars" program, arms control and East-West developments since they met last December, the officials said.

Thatcher Hosts Banquet

OW032148 Beijing XINHUA in English 2134 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- Britain's contacts with China have been expanding at a truly remarkable rate, more comprehensively than with any other country, British Prime Minister Margaret Thatcher said here today. The prime minister said this at a dinner she hosted for visiting Chinese Premier Zhao Ziyang at 10 Downing Street.

Mrs. Thatcher described the Sino-British joint declaration on Hong Kong issue as "a firm basis for Hong Kong's continued prosperity and stability." It is an agreement good for China, good for Hong Kong, and good for Britain, as well as an example for the rest of the world, the prime minister said. Britain for its part will faithfully and fully implement its provisions, she stressed.

The Sino-British relationship already has more substance than ever before, she said. It is enjoying vigorous growth, and is deeply rooted in the belief that such growth benefits both Britain and China.

The prime minister said China's current policy of invigorating the national economy and the policy of opening to the outside world have attracted much interest and admiration in Britain.

Britain wishes China success in its modernization program and looks forward to more benefits to the world as China's four modernizations bear fruits, she added.

Commenting on China's foreign policy, the prime minister said the principles of "equality and mutual benefit," on which China's independent foreign policy rests, are respected in Britain.

China's growing influence on major world issues are recognized in Britain, Mrs. Thatcher said. Quoting a Chinese saying that "new clothes and old friends are best," the prime minister said to Premier Zhao "The new clothes are our common commitment to reform and progress. We personally, and our two countries, can now be considered friends." The prime minister hoped for the continued blossoming of the friendship between Britain and China.

Zhao on Sino-British Ties

OW032202 Beijing XINHUA in English 2141 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- China always attaches great importance to Sino-British relations and will firmly seek to consolidate and develop these relations, Chinese Premier Zhao Ziyang said here today. Zhao was speaking at a dinner given in his honor by British Prime Minister Margaret Thatcher at 10 Downing Street.

"We're determined to work together with the British Government and people to carry the existing Sino-British friendly relations and cooperation to a higher level," said the Chinese premier, who arrived here yesterday for a 7-day official visit.

Zhao said that the settlement of the Hong Kong issue has opened a new page in the Sino-British relations. He expressed his belief that the two governments will continue to treat each other with sincerity, work in close cooperation in faithfully carrying out all the provisions of the joint declaration on Hong Kong so as to maintain Hong Kong's stability and prosperity.

The Chinese and British Governments signed a joint declaration last year on the future of Hong Kong. Under the declaration, China is to resume exercise of sovereignty over Hong Kong from July 1, 1997.

Zhao said China will exert itself to develop its economic and technological cooperation and trade as well as cultural and other exchanges with Britain to substantiate its good political relations with Britain.

There are great potentials for more economic and technological cooperation to be tapped through joint efforts on the basis of mutual benefit and reciprocity, he added.

Although China and Britain have different social systems and cultural traditions, they share many interests in the endeavor for a world of prosperity and peace, he stressed.

Lasting relations and cooperation between the two countries will be in the interests of the two peoples and also of world peace and stability, the premier said.

Zhao on Peace, Arms Race

OW032204 Beijing XINHUA in English 2146 GMT 3 Jun 85

[Text] London, June 3 (XINHUA) -- China is a force defending peace and averting war, so is a united and strong Europe, said visiting Chinese Premier Zhao Ziyang here today. Zhao made these remarks at a dinner given in his honor by British Prime Minister Margaret Thatcher at 10 Downing Street.

He said, an enduring international peace is essential for the economic growth of the world people and also indispensable for the Chinese people's modernization effort.

China stands for disarmament and complete prohibition and thorough destruction of nuclear weapons. China is against the arms race, particularly the nuclear arms race, and the extension of this race to the outer space, the Chinese premier said.

China will not submit to the will of any big power or group of powers or enter in an alliance or strategic relations with it, he said.

He pointed out that China strives to develop relations with all other countries on the basis of the Five Principles of Peaceful Coexistence and will not let its relations with other countries, whether close or estranged, hinge on their social systems and ideologies, whether similar or not.

The danger of a great war has not yet been eliminated in the world today, the premier said, but the international tension can be eased and world peace maintained with the people of all countries making concerted efforts.

PRC-UK Relations Praised

OW040214 Beijing XINHUA in English 0158 GMT 4 Jun 85

[Text] London, June 3 (XINHUA) -- The Chinese premier and the British prime minister expressed here this evening the common desire to substantiate and further strengthen the friendly Sino-British relationship. At a dinner in honor of visiting Chinese Premier Zhao Ziyang hosted by Prime Minister Mrs. Thatcher and her husband Denis Thatcher at 10 Downing Street, Mrs. Thatcher said that "Britain's contacts with China have been expanding at a truly remarkable rate, more comprehensively indeed than with any other country."

Total trade between the two countries more than doubled between 1982 and 1984, she noted.

Britain and China now have a relationship which has more substance than ever before, which is enjoying vigorous growth and is deeply rooted in the belief that such a growth benefits the two countries, she said.

Mrs. Thatcher expressed appreciation of China's success with the policy of invigorating its national economy and the policy of opening to the outside world, as well as China's independent foreign policy.

Britain shares with China a concern to promote peace and to seek realistic arms control measures.

Premier Zhao thanked Mrs. Thatcher for her warm speech.

In his speech the Chinese Premier said that the settlement of the Hong Kong issue has opened a new page in the annals of Sino-British relations. He expressed his government's determination to work together with the British Government and people to carry the existing Sino-British friendly relations and cooperation to a higher level.

Zhao told the British friends that China strives to develop relations with all other countries on the basis of the Five Principles of Peaceful Coexistence and will not let her relations with other countries hinge on their social systems and ideologies.

Turning to international issues, the Chinese premier said China is a force defending peace and averting war, so is a united and strong Europe. He expressed the belief that the international tension can be eased and world peace maintained with the people of all countries making concerted efforts.

Among the Chinese guests at the dinner were Chinese Vice-Premier Tian Jiyun, State Councillor and Foreign Minister Wu Xueqian and other members of Zhao's party Zhou Nan, Gan Ziyu, Lin Zongtang, Jia Shi, Bao Tong and Hu Dingyi.

Also present on the occasion were Secretary of State for Foreign and Commonwealth Affairs Sir Geoffrey Howe, Secretary of State for Trade and Industry Norman Tebbit, Minister of Agriculture, Fishery and Food Michael Jopling, Secretary of State for Transport Nicholas Ridley and Cabinet Minister Without Portfolio Lord Young.

Additional Coverage

For London coverage of the visit to the United Kingdom by Prime Minister Zhao Ziyang including his meetings with British Prime Minister Margaret Thatcher, see the United Kingdom section of the 4 June Western Europe DAILY REPORT and subsequent issues.

SONG PING RECEIVES POLISH ECONOMIC DELEGATION

OW291308 Beijing XINHUA in English 1256 GMT 29 May 85

[Text] Beijing, May 29 (XINHUA) -- Song Ping, state councillor and minister in charge of the State Planning Commission, met here this afternoon with a delegation from the Polish Economic Society led by President T. Afeltowicz. Afeltowicz told Song that he and his delegation had witnessed China's achievements in its modernization drive, especially in practising the policy of opening to the outside world. He also said that they found many common problems in economic restructuring in China and Poland and wished to increase exchanges in this field.

Song said that Chinese economists had learned a lot from the lectures given by members of the Polish delegation during their stay here. He agreed that closer contacts and exchange of experience, which could help the two countries solve their common problems, were crucial. He also briefed the visitors on China's economic restructuring. The Polish delegation arrived in China on May 9 for a friendship visit at the invitation of the Chinese Academy of Social Sciences.

POLISH VICE PREMIER PRAISES GROWTH OF TIES

OW040250 Beijing XINHUA in English 0240 GMT 4 Jun 85

[Text] Warsaw, June 3 (XINHUA) -- The growth of Polish-Chinese economic relations "meet the needs of both countries," Polish Vice-Premier Janusz Obodowski said in an interview with the country's official news agency PAP here today. "Though it is a country far away geographically, China is a partner that can be counted upon in many aspects," the Polish leader commented.

He also said that the increase of Polish exports to China creates opportunities for the purchase of a host of commodities needed in Poland. The volume of trade between the two countries will triple that of 1984 and the structure of exchanged commodities is beneficial to both sides. Most of the goods from China are well received in the Polish market, he noted. The vice-premier stressed that Poland also has a role to play in China's modernization drive.

WANG BINGNAN MEETS GDR VISITOR, AMBASSADOR

OW302007 Beijing XINHUA in English 1830 GMT 30 May 85

[Text] Beijing, May 30 (XINHUA) -- Wang Bingnan, president of the Chinese People's Association for Friendship With Foreign Countries, met here today Rolf Becker of the German Democratic Republic, and his wife.

Becker came to China during the Second World War as a member of the former international aid-China medical team and helped the Chinese people during the Second World War and their liberation war. He told Wang that he was glad of China's achievements he had witnessed during his current visit to various parts of the country where he had worked.

Wang said that the Chinese people would never forget those who had helped them when they were in difficulties. "A friend in need is a friend indeed," he added. Democratic Germany Ambassador to China Rolf Berthold was present at the meeting.

RED CROSS SOCIETY HOLDS NATIONAL CONGRESS

OW311937 Beijing XINHUA in English 1544 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- China now has 1.87 million members of the Red Cross Society, including 620,000 unit members and 410,000 Red Cross youth.

This was revealed at the Fourth National Congress of the Red Cross Society of China which opened here today at the auditorium of the Chinese People's Political Consultative Conference. Addressing the meeting, Qian Xinzong, president of the society, said that since the society resumed its work in 1978, branches had been restored in 26 provinces, autonomous regions and municipalities. Some 193 Red Cross societies at city and county levels were also restored, and 25,800 primary ones were newly established.

The Red Cross Society of China, he said, was suspended during the 10 chaotic years of the "Cultural Revolution" (1966-76). Now training in health care and first aid has become the normal work of its organization at various levels, and 6.58 million people had been trained in such skills. The society has also made medical training films and published books. With the financial help from other countries' Red Cross societies, a Chinese Red Cross training center is now under construction in Beijing.

Qian Xinzong also noted that many regional Red Cross societies had gone in for medical and welfare services, such as: numerous Red Cross clinics, public health advice stations, social service stations, welfare centers for the disabled, a match-making center for the handicapped, a university for the aged and so on. Qian Xinzong also said that in recent years the Red Cross Society of China had donated 10 million U.S. dollars in cash and kind to 66 disaster-affected countries, and was active in collecting African drought relief funds. In the past six years, he said, China had received more than 8 million U.S. dollars from international Red Cross organizations for settling down 270,000 Indo-China refugees. The Chinese Red Cross Society also joined international Red Cross organizations to help 328 people find their lost relatives. The society's magazine, CHINESE RED CROSS, reappeared in 1980 and spearheaded exchanges with Red Cross societies of more than 100 countries.

Offers Reunion Talks With Taiwan

OW020728 Beijing XINHUA in English 0712 GMT 2 Jun 85

[Text] Beijing, June 2 (XINHUA) -- Chinese Minister of Public Health Cui Yueli was elected president of the Red Cross Society of China at its fourth national congress, which closed here yesterday. His predecessor, Qian Xinzong, is now honorary president.

The congress agreed on the following definition of the society in its Constitution: The society is a "national nongovernmental organization public health, relief and social welfare" carrying out its functions in the spirit of humanitarianism. Cui said after the election that the Red Cross Society of China will continue to work for the country's modernizations and contribute to the strengthening of friendship between the Red Cross societies of China and other countries.

I. 4 Jun 85

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CHINA
PRC NATIONAL AFFAIRS

At the closing ceremony he made "a sincere offer" to the Red Cross society of Taiwan: "We are ready to discuss at any time and any place the reunion of people separated by the Taiwan Straits".

Keizo Hayashi, president of the Red Cross Society of Japan, who is now visiting China, came to the congress to give his congratulations. He said, Japan's Red Cross Society and that of China have cooperated with each other for a long time. "Their unity will certainly contribute to the peace of Asia." Zhu Xuefan, vice-chairman of the NPC Standing Committee, and Zhao Puchu, honorary president of the Buddhist Association of China, were also appointed honorary presidents of the Chinese Red Cross Society. The new board of directors, consisting of 63 members, was also elected. The congress named 436 people honorary members. These include people contributing much to the society's work, volunteer workers, etc. They were also presented with certificates and badges.

Taiwan Rejects Red Cross Talks

HK031322 Hong Kong AFP in English 1306 GMT 3 Jun 85

[Excerpt] Taipei, June 3, (AFP) -- Taiwan's Red Cross today rejected a proposal by its Chinese counterpart that they discuss the reunion of families separated by the 1949 division of China into communist mainland and nationalist Taiwan camps. "It is a standing policy of our organization that no contact with the Red Cross on mainland China should be made," Ku Cheng-hang, secretary general of the Red Cross Society of Taiwan, told AGENCE FRANCE-PRESSE.

"The government has also made it clear that it would not have any talks with the communists," he said. Mr Ku was responding a call by his Chinese opposite number for discussions on reuniting families separated in 1949, when some two million Chinese fled to Taiwan.

Newly-elected Chinese Red Cross President Cui Yueli said on Saturday that "we are ready to discuss at any time and any place the reunion of people separated by the Taiwan Straits." Taiwan's Foreign Ministry declined comment on the report.

STATE COUNCIL EASES CONTROL OF POWER SUPPLY

OWO41144 Beijing XINHUA in English 1136 GMT 4 Jun 85

[Text] Beijing, June 4 (XINHUA) -- A scheme to end the exclusive state control over electricity supply has been approved by the State Council, today's daily ECONOMIC INFORMATION reports. The policy document approved last month enables localities, departments and enterprises to pool their funds to build and run power plants.

Under a new pricing system, these joint plants will be able to fix their own electricity charges, which will be regulated by market forces. Up to now, generating plants are built by the state, which charge consumers uniform prices. Since foreign joint power plants or plants built with foreign capital can set their own prices with approval from the Ministry of Water Resources and Electric Power and provincial authorities. The aim is to speed up the development of China's power industry, to boost efficiency and to make power generation more economical, the document says. Units investing in power-plant construction will have a priority right to a share of the electricity generated -- in proportion to their investment -- for 20 years. This pooling investment will be conducted under the overall state construction plan.

TEXT RENMIN RIBAO ARTICLE ON REFORM OF PRICING SYSTEM

HK311301 Beijing RENMIN RIBAO in Chinese 24 May 85 p 5

[Article by He Jianzhang: "Integrating Flexibility With Readjustment, Advancing Steadily"]

[Text] Seeking Unity of Thinking and Unity of Action

In his government work report made at the Third Sessions of the Sixth NPC, Premier Zhao Ziyang pointed out: An important step must be taken this year in the reform of the salary and wage system and the pricing system. In order to carry out the reform of the pricing system smoothly, the most important thing at present is to seek unity of thinking and unity of action so as to prepare favorable conditions for the reform.

The pricing system currently practiced in our country is very unreasonable. The prices of many commodities reflect neither their value nor the relationship between supply and demand. The main evidence is: the price of certain mineral products and raw materials, in particular, are on the low side; the selling prices of major agricultural and sideline products are lower than their state procurement prices. Such an unreasonable pricing system has become a tremendous obstacle to the development of the national economy and the reform of the economic structure.

First, the fact that the prices of energy and raw materials are on the low side and the prices of processed industrial products are on the high side is unfavorable to the improvement of economic results and the readjustment of the production mix. Both the absolute price of coal and the price parity between coal and other industrial and agricultural products in our country are much lower than those in the international market. As a result, the enterprises in our country that practice the unified coal price system always suffer considerable losses. The profits derived from other mineral products are also low. Since the prices of energy and raw materials are on the low side, development of these production sectors have been quite slow. Meanwhile, that the prices of processed industrial products are on the high side has encouraged blind development and thus has aggravated the imbalance between the basic industries and the processing industries and artificially given rise to the phenomenon of different prices for one product. Such a consequence is not only unfavorable to the development of the national economy but also provides some people with an opportunity to be engaged in illegal buying and selling and seek personal interests at the expense of the state and the public.

Second, that the selling prices of grain, oil-bearing crops, and other major agricultural and sideline products are lower than their procurement prices has added to the state's financial burden and blocked commodity circulation. In 1983, the state subsidized every jin of the six grains (rice, wheat, corn, Chinese sorghum, soybeans, and millet) it sold by more than 10 fen. Similarly, the state had to subsidize every jin of cooking oil it sold by more than 80 fen, that is to say, the cooking oil is sold at a 50 percent discount. Commercial departments lost 6 to 7 yuan on each pig sold. The better the harvest, the more the state has to pay in subsidies. That the selling prices are lower than the procurement prices has also blocked the circulation of agricultural products. For the same reason, commercial departments suffer more losses if their sales volume is greater. In order to reduce losses, commercial departments in some places have set a limit to the procurement and sales volume, thus have given rise to the abnormal phenomena of "inconvenience in selling grain" and "inconvenience in selling pigs." Meanwhile, the price parities between different agricultural products are not quite reasonable; for example, the price of grain is on the low side, the price of cotton is on the high side, the procurement prices of leaf tobacco and flax are on the high side, and so on.

Third, charges for public utilities and other services are on the low side. The standard of charges remains almost the same as that in the early 1950's and has seldom been adjusted in the past decades. Due to low profits or even long-term losses, these trades have survived on subsidies. Their burden is becoming heavier and heavier in the wake of the rise in wages, salaries, and production costs. Many which used to make small profits cannot cover their expenditures with their income and have little chance of prospering. In addition, undercharged rents have been a tremendous obstacle to the solution to the housing problem in urban areas.

The circumstances enumerated above have prevented the pricing system from becoming a tool of economic accounting and the criterion to evaluate the economic results of enterprises. Such a pricing system can neither encourage enterprises to reduce consumption of energy and raw materials nor regulate the relationship between supply and demand. Furthermore, it may play a role of "negative regulation" and aggravate the imbalance in the national economy, going counter to the goal of the state plan.

The key link to the reform of the whole economic structure with the focus placed on cities lies in the effort to invigorate enterprises, particularly large- and medium-sized enterprises under the ownership by the whole people and to turn these enterprises into relatively independent economic entities and socialist commodity producers and dealers which operate on their own and assume sole responsibility for their profits and losses. The prerequisite for the fulfillment of this aim is the reform of the existing irrational pricing system. The past pricing system was to suit the economic structure characterized by the state's direct operation of enterprises and the state's centralized control over revenue and expenditure, and whether the business is gaining or losing had little or no bearing on an enterprise and its staff. Under such a system, enterprises and their staffs show little concern for the prices of their products. After the implementation of the system of enterprises running business on their own and assuming sole responsibility for profits and losses, however, price has become a major source of information to guide enterprise management and is playing an increasingly conspicuous role in regulating the enterprise's production and management. The success of the reform of various economic systems including the planning system and the salary and wage system depends to a considerable extent on the reform of the pricing system. A rational pricing system is also an important factor guaranteeing the harmonious development of the national economy. By and large, the reform of the pricing system is the key factor determining the success or failure of the reform of the whole economic structure.

Acting in Accordance With the Laws of the Commodity Economy

Reforming the pricing system, as well as reforming the planning system, requires us to forsake first of all the traditional concept that sets the planned economy against the commodity economy but firmly adopt the idea that the socialist economy is a planned commodity economy. Since ours is a commodity economy, we must follow the law of the commodity economy, first of all the law of value. The prices of commodities must reflect their value and should fluctuate in accordance with changes in the relationship between supply and demand. Only in this way can the price provide both the producer and the consumer with accurate information and keep the development trend of production as well as the production mix closely in line with market demand. It is justifiable for socialist enterprises as relatively independent commodity producers to seek reasonable profits compatible with the nature and scale of business.

The term reasonable profit here denotes average capital profit. Therefore, in socialist society, price should be based on the following formula: Average costs on the part of the commodity sector plus average amount of capital utilized in commodity production times social average interest rate. In other words, we must make the production price the basis for pricing and then appropriately adjust the price set thereof in light of supply and demand.

In order to shape a rational pricing system, it is necessary to reform the highly centralized price administrative system, give as much rein to pricing as possible, and vest enterprises with the power of setting and adjusting prices based on production costs and the relation of supply and demand in the market. In view of the specific circumstances in our country, the reform of the pricing system and the price administrative system must be carried out step by step in a planned way and be kept under control. To suit the planned administrative system, unified pricing by the state only covers a small number of main products which are produced and distributed according to the command plan, while a wide range of products produced according to the guiding plan are marketed at floating prices and the remaining small commodities at free prices to be set by enterprises themselves.

However, it is because of some historical factors that the irrational pricing system exists in our country. The reform of the pricing system which involves the interests of the state, the collective, and the individual are restricted by the state's financial capacity, the enterprise's adaptability, and the masses' acceptance. It cannot be completed at one stroke but must be carried out step by step. Premier Zhao said: Based on comprehensive consideration and thorough survey, it has been decided that in 1985 the guideline of integrating flexibility with readjustment and advancing with a small step is to be followed and the principle of "allowing the prices of some commodities to rise while the prices of others drop" is to be adopted, so as to keep the overall commodity price level basically stable. This decision is completely correct.

The main problems to be dealt with this year are that of the prices of agricultural and sideline products being on the low side and of their procurement prices being higher than their resale prices. As a specific measure, we are to abrogate step by step the system of unified procurement quotas apportioned by the state with respect to agricultural and sideline products -- first of all the control over the prices of fresh and live commodities, live pigs, and vegetables, as well as grain and cotton, will be gradually relaxed. While the price of pork is raised, the state is to give the consumers a moderate subsidy. When the control over the prices of vegetables is relaxed the state will play a part in market regulation, keeping down the prices by subsidizing marketing departments. As for such staple agricultural products as grain and cotton, a contract purchase system is to be implemented from this year on. Under this system, the state is to procure the products at preferential prices from those peasants who have signed purchase contracts with the state, while buying the products at protective prices at the request of those who have not signed the contracts. The selling price of grain will remain unchanged.

As for the prices of such important capital goods as energy and raw materials, the regional price differences for coal, as well as the price differences between different kinds of coal, are to be appropriately expanded, but the prices of the portion of capital goods that are distributed according to the state plan will be kept basically unchanged, while the portion that are to be marketed by enterprises themselves are to be sold at market prices.

The additional costs arising thereof on the part of enterprises are to be made up by the enterprises themselves mainly through improvement of management, promotion of technological transformation, and minimization of consumption. For those enterprises which have to bear considerable increase in production costs due to adjustment of the prices of capital goods, the state will reduce or remit their tax payment according to different cases, so as to prevent increases in the products' selling prices in the market. As for other industrial products with supply exceeding or equal to demand, the controls over price fluctuations are to be relaxed and qualitative price differentials will be expanded moderately, but any increases in price are subject to approval so as to prevent price increases in disguised form.

Preparing Favorable Conditions for the Reform of the Pricing System

What will be the trend of change in prices after the control over the prices of agricultural and sideline products is relaxed? After the control over the price of grain is relaxed, the market price may rise or drop in different areas for different kinds of grain of varying quality. As a general trend, the price of grain may drop a little because, relatively speaking, there is a surplus in grain. As for pork, vegetables, and aquatic products, their prices may rise during a certain period after price controls are relaxed. However, as soon as production increases, there will be a more ample supply of products and prices will become stable or even fall. This will be the case in some cities after control over the prices of agricultural and sideline products is relaxed.

What will be the trend of change in prices after the control over the prices of industrial products is relaxed? The practice in the past few years has provided us with some valuable experience. By and large, for those products with supply equal to or exceeding demand and for those produced in excess of quotas, the floating price system has played a positive role in encouraging enterprises to compete with each other and to meet the market demand in a better way. Moreover, in September 1982, the system of pricing by enterprises was applied to 160 commodities of six major categories, namely, general merchandise, stationery, knitwear and cotton goods, metalware for civilian use, transportation equipment and electric appliances, and miscellaneous daily necessities. In September 1983, the system was extended to 350 other commodities of eight categories including the above six categories as well as small food and medicinal articles. As a result there was a slight rise in the prices of about 30 percent of these commodities, all with wood as their raw materials; while there was a decline in the prices of some 60 percent of these commodities, all with metal and chemical products as their raw materials. In general, there were more commodities whose prices fell and fewer commodities whose prices increased. In the future, as price controls are relaxed step by step, production of many small commodities that have been running short in the market because of their low prices leading to low profits or even losses will be restored and will boom.

On the other hand, we have also drawn some lessons from the practice in the past few years. In 1979 and 1980, as the scale of capital construction was expanded and the consumption fund was out of control, the financial deficits increased and the prices of capital goods and means of subsistence rose. In the latter half of last year, due to overinvestment in capital construction, arbitrary raising of salaries, and indiscriminate distribution of bonuses and allowances, both the investments in capital construction and the consumption fund increased drastically and there was too much money put into circulation. Taking advantage of this opportunity, some profiteers drove up commodity prices and resold materials and durable consumer goods in short supply to seek staggering profits.

The masses had a lot of complaints about the increases in the prices of non-staple foods. In order to ensure that the reform of the pricing system is carried out smoothly and to avoid inflation and alternate price increases, we must keep the circulation of money under strict control. It is necessary to try by every means to maintain a balance between financial revenues and expenditures on the whole, keep deficits to a minimum, and exert rigid control over issuance of money as a financial measure. Banks should also keep credit under strict control and the total amount of credit can never exceed the quota. It is necessary to carefully examine all applications for loans, provide guidance in respect of the use of loans, stress the importance of economic results, and ensure that the loans are paid back before they are due.

In light of our country's experience, enormous financial deficits, excessive issuance of money as a financial measure, and out-of-control credit are mainly due to the over-expanded scale of capital construction. Therefore, in the next few years, it is necessary to appropriately slow down the economic growth rate and tighten the control over investment in capital construction and credit so as to give way to the reform of the pricing system. At the same time, we must also make efforts to keep growth in consumption funds under control. All enterprises must try to improve their economic results, increase revenue while reducing expenditure, and make sure that the growth in consumption funds is lower than that in labor productivity, and that the growth in their salary funds is lower than that in tax payments to the state. In brief, it is necessary to maintain an overall balance of finance, credit, and material supply and to prepare the conditions necessary for the reform of the pricing system. Meanwhile, it is necessary to maintain sufficient foreign exchange reserves, so that it is possible to ease the shortage of certain materials and balance the supply and demand in the domestic market by the means of foreign trade when necessary. Furthermore, in the course of the reform of the pricing system, our commodity price, taxation, industrial and commercial administrative, and auditing departments must strengthen supervision and administration of commodity prices. It is necessary to seriously deal with all the cases of those units acting on their own beyond their authority with respect to price controls and therefore causing losses. All those who take advantage of the reform and make use of their power to seek staggering profits by illegal means must be penalized by the law.

RENMIN RIBAO ON ENACTING STATE FUNCTIONARIES LAW

HK010247 Beijing RENMIN RIBAO in Chinese 28 May 85 p 4

[Article by Zhang Huanguang "Speed Up the Enactment of a State Functionaries Law"]

[Text] The wind of reform has swept all over the vast land of China. The reforms, whether rural or urban ones, will inevitably involve the reform of the existing personnel system. The reform of the personnel system is also closely related to the enactment and improvement of personnel legislation. For example, people are talking about speed and efficiency and are complaining about and criticizing bureaucratism. But the vague delimitation of the functions, authority, and responsibilities of state functionaries is precisely an important cause for the emergence of bureaucratism. A method of overcoming bureaucratism is to use administrative legislation to strictly stipulate the functions, authority, and responsibilities of state functionaries. As another example, people are talking about the need to enhance revolutionary vigor, to arouse initiative, and to break the "iron rice bowl," but the lack of a set of strict systems enabling state functionaries to be recruited or dismissed, to be promoted or demoted, and to be rewarded or punished is precisely an important cause for the existence of the "iron rice bowl."

For this reason, an effective measure to discard the "iron rice bowl" is to use administrative legislation to provide a set of strict systems enabling state functionaries to be recruited or dismissed, to be promoted or demoted, and to be rewarded or punished. Still another example is that people are talking about the "four transformations" of cadres and are worried about some phenomena, such as some of our cadres being rather old, having a rather low level of education, or being unskilled in professional work. Although these phenomena have changed considerably in recent years, the changes have not been sufficient. There are still numerous obstacles. Why? The causes are numerous and also very complicated. An important cause for this is that, for a long time in the past we lacked a set of rational, unified, and systematic laws and regulations on the recruitment, assessment, training, promotion, transfer, resignation, dismissal, reward and punishment, salaries, welfare, and retirement of state functionaries. Therefore, enacting a systematic basic law on state functionaries, taking this as a basis for the enactment of a unified and perfect personnel law or regulation and, on this basis, correspondingly enacting various special regulations, constitute an important guarantee for overcoming the above-mentioned defects and achieving the "four transformations" of the cadre ranks.

There exists not only the necessity but also the possibility for our country to set about enacting a systematic state functionaries law. First, in the field of personnel management, we have accumulated experiences, both positive and negative, over the past several decades. Second, since the founding of the PRC, we have adopted many special personnel regulations. Although they are not complete and systematic, they can be used as a basis for the legislation of this basic law. Third, the in-depth development of the reform of the personnel system has also provided extremely rich material for the enactment of a state functionaries law. Numerous legal standards have in fact taken shape in the practice of reform, and it is only necessary to turn them into articles or clauses through legislation. Just as Marx said: Legislators "neither make or invent laws but merely expound them." ("Selected Works of Marx and Engels," Vol 1, p 183). Fourth, quite a few countries in the world enacted this kind of basic legislation long ago, such as the U.S. "Law on the Civil Service System," the French "General Constitution of Civil Servants," the Swiss "General Constitution of Civil Servants," the Japanese "State Functionaries Law," the Federal German "Federal Officials Law," the Egyptian "Law on State Civil Officials and Functionaries," and the Indian "All-India Civil Officials Law." We can take these as references and learn something from them.

Naturally, being in a state of reform, everything in China's society as a whole is changing and developing. Undoubtedly this is somewhat in contradiction with the enactment of a relatively stable "state functionaries law." However, reform can be united with legislation. This is because a law is both a codification of the achievements already attained and a guide to future development. On the one hand, since the reform is in progress and constant achievements are being attained, it is necessary to codify them in the form of a law. We should not make legislation only after the reform is crowned with success. On the other hand, since the reform is in progress, it is necessary to constantly guide it through legislation. Moreover, a law can be constantly perfected. If we do not have mature experience on some issues, we may not put them into laws for the time being but stipulate them in the form of a policy. After we have mature experience, we can enact legislation. But this does not affect the enactment of legislation on those matters from which we have gained mature or basically mature experiences.

It does not matter if there should be some imperfections in the law because we can make appropriate amendments or supplements when conditions are ripe. Comrade Deng Xiaoping pointed out: "There is a lot of legislative work to do, and we don't have enough trained people. Therefore, legal provisions will have to be less than perfect to start with, then be gradually improved upon. Some laws and statutes can be tried out in particular localities and later enacted nationally after the experience has been evaluated and improvements have been made. Individual legal provisions can be revised or supplemented one at a time, as necessary; there is no need to wait for a comprehensive revision of an entire body of law. In short, "it is better to have some laws than none, and better to have them sooner than later." ("Selected Works of Deng Xiaoping," p 137) I think this is a positive and careful idea, which should be taken as a guiding principle for personnel legislation and even the entire legislative work in our country.

'IDEOLOGICAL COMMENTARY' ON CPC MEMBERS, MASSES

HK020710 Beijing GUANGMING RIBAO in Chinese 22 May 85 p 3

["Ideological commentary" by Song Guilun: "A Party Member Is Also a Member of the Masses"]

[Text] Comrade Zhou Enlai once said: "Some terms used in our party are not appropriate and make me feel uneasy when I read them. For example, on some forms, people are divided into two categories 'party members' and 'masses.' These two terms represent different concepts, even though party members and non-party members are parts of the same concept. A party member is also a member of the masses, leaders included." ("Selected Works of Zhou Enlai" Vol II, p 367) Here Comrade Zhou Enlai regarded the unscientific classification of "party members and masses" not only as a problem of logic, but also a problem of cognition.

Generally speaking, in our socialist country, wherever there are masses of people, only a small percentage of people are party members or CYL members. Is it not very improper to draw a line between a small percentage of people and the masses of people? As a matter of fact, both party and CYL members are members of the masses. They have come from the masses and they are members of the masses. As a citizen, a party member should perform the same duties as those of non-party members and enjoy the same rights. They must conduct their activities within the scope allowed by the Constitution and the law and there is nothing special about them.

However, they are different indeed from those with a no party affiliation. The difference lies in that they are progressives among the masses. In the main, that means they are progressive politically and ideologically. CPC members should be models in wholeheartedly serving the people. Upholding the principle of seeking truth from facts, and enforcing discipline, as well as pioneers in working for the communist cause. In this sense, Communist Party members cannot downgrade their ideological standard as low as that of ordinary people with no party affiliation. However, Communist Party members cannot be divorced from the masses either. If they are divorced from the masses, then they cannot be regarded as progressives nor qualified Communist Party members. So they cannot possibly lead the masses to strive for victory in revolution and construction. In his opening speech delivered at the Eighth CPC National Congress, Comrade Mao Zedong said: "In the course of the great construction, we are faced with extremely arduous tasks. Although we have more than 10 million party members, we are extremely small number in relation to the country's population. Our state organizations and social service undertakings rely on those staff members with no party affiliation to shoulder a great deal of work. If we are not good at relying on the masses and cooperating with personnel with no party affiliation, we will not be able to do a good job."

However, some of our comrades have retained muddled ideas for many years, holding that party members are leaders and personnel with no party affiliation are to be led and thinking that they themselves are superior to those with no party affiliation. In fact they have confused party organizations with individual party members. Comrade Zhou Enlai repeatedly pointed out: "Leadership by the party is not leadership by individual party members. The party is an organized collective." ("Selected Works of Zhou Enlai," Vol II, p 365) He also held that no individual can pose as a leader because every individual is equal. As far as his work is concerned, each is a servant of the people, and is only different from others in terms of the division of work.

The party's fine traditions and work style have deteriorated over many years, especially during the 10-year catastrophe of the "Cultural Revolution." Some party members, especially some party-member cadres, have gone quite far in cutting themselves off from the masses. Although there has been a considerable improvement in this aspect in the past few years, the phenomenon of party members being divorced from the masses still remains. We should try to get rid of this phenomenon and stop using the phrase of "party members and masses."

JIEFANGJUN BAO ON NEW DEFENSE STRATEGY INSTITUTE

OW030904 Beijing XINHUA in English 0841 GMT 3 Jun 85

[Text] Beijing, June 3 (XINHUA) -- A new academic organization specializing in strategic problems and national defense policies of both China and foreign countries has been set up, the LIBERATION ARMY DAILY reports today.

The Institute for Strategic Studies, attached to the Academy of the Chinese People's Liberation Army, will study global and regional strategies, and strategies of the major military blocs, as well as different schools of military theory, strategic methodology and other related subjects. But its main purpose is to serve the academy's teaching program.

The Army daily quoted Xiao Ke, commandant of the academy, as saying at the institute's first meeting last Friday that it would offer advice for China's national defense policies. A commentary in the newspaper greeting the formation of the new institute described it as a "think tank" for the modernization of China's national defense. The institute has engaged two specialists as advisors. One is Xue Mouhong, an expert on international affairs from the Foreign Ministry, and the other is Zhang Jingyi, an associate research fellow of the Institute of American Studies under the Chinese Academy of Social Sciences and foreign Research fellow for the London-based Institute for Strategic Studies and the Rand Corporation. It has also invited a large number of scholars as its research fellows.

ARTICLE CALLS FOR DISCARDING OUTMODDED FORMALITIES

HK031017 Beijing XINHUA Hong Kong Service in Chinese 0200 GMT 3 Jun 85

[Report: "Article in JIEFANGJUN BAO Stresses Discarding the Outmoded Internal Practical of Seeing Off and Receiving Personnel"]

[Text] Beijing, 3 Jun (XINHUA) -- Following Chinese leader Deng Xiaoping's recent remarks which stressed a halt to indulging in idle talk but doing more practical work, JIEFANGJUN BAO yesterday published a signed article, stating that we must check within the party and the Army the unnecessary, over-elaborate formalities of seeing off and receiving personnel, and that we must discard such outmoded practices.

The article states: In the area of handling foreign affairs, it is absolutely necessary to receive and see off guests when leaders of foreign countries, governments, and armies visit China, or when China's leaders visit other countries. However, it is not necessary to extend such diplomatic protocol to the internal organizations of the CPC and China's Army.

The article points out that the party's leadership has long opposed the practice that a responsible cadre at the lower level greets a leading cadre when the latter is transferred to the grass roots, and that a responsible cadre sees off the leading cadre when the latter is transferred to another post. But it seems that some people are still fond of such formalities, so that it has prevailed through time.

The article said: The formality of seeing off and receiving personnel neither reflects the decorum or courtesy of socialism nor symbolizes the peculiar and new relationship of the proletarian party. To indulge in diplomatic protocol among our people is an outmoded practice which should be discarded.

When stressing a halt to indulging in idle talk but doing more practical work, the article said that in some areas, when people from the upper levels go to the grass roots, people at the lower level are busily running around to see them off and receive them. Furthermore, they have to say, "Welcome, leaders, to inspect and guide our work." In return, those arriving say, "We come to learn from you, comrades." Such courtesy is nothing but a waste of time and does not do any good in promoting the four modernizations.

ELECTRONICS INDUSTRY URGED TO STRIVE FOR EXPORTS

OW030317 Beijing XINHUA Domestic Service in Chinese 1145 GMT 28 May 85

[Text] Beijing, 28 May (XINHUA) -- Zhang Xuedong, vice minister of electronics industry, said at the national conference in import and export of electronics technology which opened in Beijing today that the strategic task for China's electronics industry now is to import, assimilate, develop, and create new technologies so as to expedite the manufacturing of electronic products in China; then, we must expand our export of electronic products and technologies. The electronics industry must expand its economic and technological exchange with foreign countries in breadth and in depth.

China has experienced rapid development of its electronics industry in the past few years. Incomplete statistics show that from 1979 to 1984, China's electronics industry imported over 300 technologies. Of the more than 20 major imported projects with state investment, including color tubes, linear integrated circuits, and key accessory television components projects, 17 have been completed and put into production. In the field of computers, three major projects have also been put into production. In addition, many enterprises have imported technologies with various financial resources to reform their production lines, resulting in greater production capacity of some electronic products, in particular, those for home use. Through technological imports and transformation, manufacture of electronic products in our country is comparatively advanced, replacing the backward manual workshop methods of the past.

Zhang Xuedong pointed out: In importing technology, the electronics industry should shift its focus of attention. In the past, we attached importance to whole-set equipment installation, hardware, and importation itself to the neglect of basics, software, assimilation, creation, and exportation.

We should now attach greater importance to basics, software (including product design, process, development, and fundamental production skills), management, assimilation, and development and creation of new technologies and pay equal attention to exports and imports. Technical forces of research and production units as well as universities must be organized to concentrate efforts to assimilate, develop, and popularize new technologies and strive hard to manufacture electronic products by ourselves.

Zhang Xuedong said in conclusion: In view of the current condition that the cost of our electronic products is quite high and therefore, their competitiveness is weak, we should adopt the policy of promoting exports and imports at the same time, relying on imports to back up our exports and using imported technologies to support our own manufacturing so as to develop and produce our own products and deliver them to the international market. It is necessary to strive to export whole-set machines and equipment as well as newly developed varieties so that our exports of low-grade products will gradually be changed into mostly medium- and high-grade products. We must strive to export technologies including software, patents, designs, processes, and production skills.

HIGH-QUALITY STEEL PRODUCTION INCREASE PLANNED

OW310924 Beijing XINHUA in English 0736 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- China plans to produce 200,000 tons of cold pressing quality steel this year, 54 percent more than last year, ECONOMIC INFORMATION reported Wednesday. This growth rate is much higher than that of rolled steel. This high-quality steel is widely used in motor vehicles, machines, ships, and coal mining and construction equipment. However, production and variety still fall short of rising demand, the paper said.

Ten plants manufacture 300 varieties of the steel in Anshan, Wuhan, Beijing, Nanjing, Guangzhou and Changchun. China turned out 43.36 million tons of steel last year, ranking fourth in the world after the Soviet Union, Japan and the United States.

BAOSHAN COMPLEX RAILWAY OPENS TO TRAFFIC

OW011628 Beijing XINHUA in English 1538 GMT 1 Jun 85

[Text] Shanghai, June 1 (XINHUA) -- A railway line serving the Baoshan iron and steel complex, the largest in China, was opened to traffic here today. It is another important project completed this year after a wharf, a large quarry and a coking plant went into operation, said a project spokesman.

The 80-km line, with an annual transport capacity of 3.2 million tons, will take semi-finished iron and steel products, auxiliary raw materials and scrap iron. The transport of coal, iron ore and 90 percent of the finished products will be handled at the wharf, which has 10 berths. Scheduled to go into operation in September, the complex will eventually turn out six million tons of pig iron and the same amount of steel annually.

Wang Zhaoguo Inspects Complex

OW021025 Shanghai City Service in Mandarin 0100 GMT 21 May 85

[Text] Wang Zhaoguo, director of the General Office of the CPC Central Committee, and others inspected the construction site of the Baoshan iron and steel complex on the morning of 30 May.

FORESTRY MINISTRY ISSUES AFFORESTATION CIRCULAR

OW010350 Beijing XINHUA Domestic Service in Chinese 1243 GMT 28 May 85

[Text] Beijing, 28 May (XINHUA) -- The Ministry of Forestry issued a circular yesterday calling on the various localities to grasp the opportunity to plant trees during this year's rainy season.

The circular pointed out: Tree-planting during the rainy seasons ensures a higher survival rate and faster growth and is of much importance to China's forestry production. Afforestation during the rainy season is of particular importance in localities marked by concentrated rainfall and by highly distinguishable rainy and dry seasons. The circular presented the following demands to the various localities:

1. Earnestly strengthen organizational leadership over afforestation during the rainy season. As forestry work is an undertaking with long-term benefits, the various localities must earnestly implement the forestry policy, and do the organization and mobilization work well. It is essential to make detailed plans, give specific guidance, make prompt inspections and supervision, avoid formalism, and grasp afforestation practically during the rainy season in the spirit of reform.
2. Earnestly do well in preparatory work for afforestation during the rainy season. Because of the short duration and seasonal nature of afforestation during the rainy season, the various localities must proceed from actual conditions and do preparatory work well in planning, tree sapling supply, soil preparation, labor arrangement, and technical training. The localities must take the initiative in afforestation during the rainy season.
3. Guarantee quality in work and pay attention to practical results. Climatic conditions can directly affect afforestation results. The various localities must closely consult the local meteorological departments, grasp the opportunity, and fully utilize the best time for scientific afforestation. They must ensure quality in work and see to it that the planted trees grow well. They must strive for more practical results than last year.
4. Properly replace the dead young trees with new ones, and pay attention to tending and managing forests. With its high moisture and temperature, the rainy season is the best season for vegetation growth. The various localities must promptly replace dead young trees, carefully tend saplings, and consolidate the already gained afforestation results. At the same time, they must strengthen control over nursing young plants and strive to produce more and better saplings in order to prepare for future afforestation.

WANG BINGQIAN CONCLUDES FUJIAN INSPECTION TOUR

OW010325 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 29 May 85

[By correspondent (Na Naichang)]

[Text] Wang Bingqian, state councillor and finance minister, concluded his investigation and study in Fujian and left Fuzhou today.

During his stay in Fujian, Comrade Wang Bingqian visited Fuzhou, Jianyang, Longxi, Xiamen, Jinjian, and Putian as well as other prefectures, cities and counties where he received briefings from local leaders and inspected Xiamen's eastern harbor zone, the (Yimei) finance and economics school, several Chinese and foreign joint ventures, and Putian's Meizhou Wan.

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After receiving briefings on Fujian's economic construction on 14 and 15 May, Comrade Wang made important remarks: Building the eight economic bases to exploit Fujian's mountain and ocean resources is an important strategic plan. The recent Third Session of the Fujian Provincial People's Congress Standing Committee approved a program to build eight economic bases in Fujian. This province will undergo major changes if this program is carried out.

DENG YINGCHAO, OTHERS AT CHILDREN'S DAY RALLY

OW011806 Beijing XINHUA in English 1531 GMT 1 Jun 85

[Text] Beijing, June 1 (XINHUA) -- An oath sworn by 10,000 children to become successors to the cause of communism marked the beginning of today's celebration of International Children's Day in Beijing.

In the early summer sunshine, young pioneers in uniform gathered before the monument to the people's heroes in Tiananmen Square. When Hu Jintao, first secretary of the Communist Youth League Central Committee, said through a microphone, "Be ready to strive for the cause of communism," young voices responded in unison, "We are ready." To the west of the square in the Great Hall of the People about 40,000 children and their parents attended a celebration party. Entertainments included performances, movies, computer games, and table tennis matches.

Wearing the red neckerchiefs of the Young Pioneers, Deng Yingchao, Wan Li, Wang Zhen and Hu Qiaomu, members of the Chinese Communist Party Central Committee Political Bureau, joined the children in the hall with other party and government leaders. Hung inside the hall was a streamer inscribed, "Peace and friendship", in Chinese and English. Approximately 2,000 foreign children attended the party.

Other celebrating activities included paying tribute at the late Communist Party Chairman Mao Zedong's Mausoleum and visiting his former residence in Zhongnanhai. All the parks and cinemas in the capital admitted children free of charge today, as did buses. About 10 million children's books have been newly published and, from today, bookstores in the city will sell children's books at a discount for three days.

Yang Shangkun, Xi Zhongxun Mark Day

OW031349 Beijing Domestic Service in Mandarin 1200 GMT 31 May 85

[Text] According to a station report, on the eve of the 1 June International Children's Day, various kinds of activities were held in many places in the country to celebrate the children's festival. The Ministry of Culture and Ministry of Education jointly invited the Jilin young children's art troupe and Yunnan young children's singing group to Beijing to take part in the 1 June celebration activities and join young performers in Beijing in performances for leading comrades of the central authorities at Zhongnanhai. Yang Shangkun, Seypidin Aizezi, Liao Hansheng, and others viewed today's performance.

Today, a young children's Chinese carbon calligraphy teaching exhibition was held in the Chinese Art Hall. Xi Zhongxun, member of the Secretariat of the CPC Central Committee, cut the ribbon for the exhibition.

Bo Yibo Views Performance

OW010351 Beijing XINHUA Domestic Service in Chinese 1617 GMT 30 May 85

[By reporter Sun Maoqing]

[Text] Beijing, 30 May (XINHUA) -- Comrades Xi Zhongxun, Bo Yibo, and Seypidin Aizezi watched a performance of the Air Force Children's Art Ensemble at the CPPCC auditorium tonight.

More than 100 children staged "I Love Umbrella-Shaped Flowers," "Sports Meet in the Forest," and a dozen other colorful, lively entertainment programs. The children displayed fine sentiments, their love of the motherland, and their aspirations to build the motherland after they grow up. Qian Changzhao, Rong Gaotang, and Sun Jingxiu also watched tonight's performance. After the end of the performance, Xi Zhongxun and Bo Yibo went up to the stage to wish the children a happy holiday.

Deng Liqun Attends Celebration

HK020155 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 2 Jun 85

[Text] Yesterday morning Deng Liqun, member of the CPC Central Committee Secretariat and Director of the Central Committee Propaganda Department, visited the Children's Palace in Chongqing City to celebrate International Children's Day with the children there. He was accompanied by Chongqing City CPC Committee Secretary Liao Bokang and a number of leading comrades of the province and city. Deng Liqun and the other leading comrades watched the children's song and dance performance and visited an exhibition of photographs marking the 25th anniversary of the opening of the palace. Eight young children gave a demonstration of calligraphy and drawing. While in the Children's Palace, Deng Liqun also wrote inscriptions for ZIXUE BAO [SELF-STUDY JOURNAL] and HONGYAN SHAONIAN BAO [RED CLIFF CHILDREN'S JOURNAL].

HANDICAPPED CHILDREN GET FUNCTIONAL TRAINING

OW103930 Beijing XINHUA in English 0805 GMT 31 May 85

[Text] Beijing, May 31 (XINHUA) -- Seven hundred handicapped children all over China have recovered some of their functions through training in welfare institutions in the past two years, according to Civil Affairs Ministry today. Wu Jingsong, head of the Welfare Department of the ministry said that there are 60 welfare institutions for handicapped and homeless children. These plus 709 ordinary welfare institutions for both children and the aged are hiring several thousand nurses and doctors.

The state is taking care of 5,520 handicapped homeless children, a big portion of them seriously handicapped. The 700 who regained some of their functions constitute 70 percent of those who received training. The Beijing Welfare Institution for Children started to give functional training last year to 16 handicapped children. Three months later, 14 children showed improvement, a 88 effective rate. "I respect your work", said Beijing Mayor Chen Xitong to the institutions staff.

The Shanghai Children's Welfare Institution in the past two years treated 48 cerebral paralysis afflicted children with acupuncture and moxibustion, massage, as well as functional training. 34 children responded to the treatment, bringing the effective rate to 78.8. At the Nanjing Children's Welfare Institution, 66 handicapped children received training. Twelve who were unable to sit up can now do so and 21 who were unable to stand up, can now walk and some even can take care of themselves.

Chen Zili of Changsha Social Welfare Institute, a totally paralysed child who was only able to chew and move his toes, after therapy and training, can now walk around and to a certain extent take care of himself.

The Chinese Ministry of Civil Affairs and the U.N. Children's Fund in 1982 and 1983 co-sponsored two training courses for therapists in Wuxi and Guangzhou. Lectures were given by both Chinese and foreign specialists on functional training, updating the expertise of these therapists. Wu Jingsong said that functional training for handicapped children were now being given in many cities. Welfare institutions under the local civil affairs offices are building in- and outdoor training centers and bought training equipment.

The Guangzhou Children's Welfare Institution spent 100,000 yuan in building a functional training hall with an attached garden and a sun-bathing balcony. Beijing is now raising one million yuan for a functional training building. Now, parents of handicapped children are applying to send their children to these training centers at their own expense.

DENG LIQUN PROPOSES TELEVISION SERIAL ON MARTYRS

HK040109 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 4 Jun 85

[Text] Deng Liqun, member of the CPC Central Committee Secretariat and director of the CPC Central Committee Propaganda Department, yesterday braved the rain to visit the Hongyancun Revolutionary Memorial Hall and various sites of the former Sino-U.S. Cooperation Center including (Zazidong) and (Baitongguan), and wrote inscriptions for them. After visiting (Zazidong) and (Baitongguan), Comrade Deng Liqun proposed that a number of writers be organized to write several dozen television serials reflecting the careers, ideas, and spirit of the martyrs.

HU QIAOMU ATTENDS GUIZHOU EXHIBITION IN BEIJING

HK020215 Guiyang Guizhou Provincial Service in Mandarin 2300 GMT 1 Jun 85

[Excerpts] An exhibition of Dong nationality architecture, jointly organized by the provincial Cultural Relics Management Committee, Cultural Publishing Department, and Minority Affairs Committee, and the Beijing Nationalities Cultural Palace opened in the Beijing Nationalities Cultural Palace on the morning of 1 June. Hu Qiaomu, member of the Political Bureau of the CPC Central Committee, and Yang Jingren, vice chairman of the CPPCC, attended the opening ceremony. Also present were leading comrades of a number of central departments Liao Jingdan, Jiang Ping, Ren Ying, (Xue Jianhua), Yong Wentao, Zhou Lin, and (Hu Xiangdi). After the opening ceremony, Hu Qiaomu, Yang Jingren, and the other comrades toured the exhibition, accompanied by Zhou Yansong, vice chairman of the provincial People's Congress Standing Committee, and (Zhang Yifan), deputy director of the provincial Cultural Relics Management Committee, and also joined in singing with young Dongs.

FUJIAN CPC LEADERS ATTEND CPPCC SESSION CLOSE

OW011029 Fuzhou FUJIAN RIBAO in Chinese 6 May 85 p 1

[Text] The Third Session of the Fifth Fujian Provincial CPPCC Committee triumphantly closed on 5 May. The session called on all CPPCC organizations in the province, various democratic parties, mass organizations, and people of various circles to earnestly implement the policy of "mutual supervision and coexistence for a long time to come" and "treating each other with all sincerity, and sharing both good fortune and bad"; continue to carry forward the CPPCC's fine traditions and good work style; stand in the forefront of reform and opening to the outside world; and make fresh contributions to accomplishing the three major tasks.

The session heard and examined the work report of the Standing Committee, delivered by Chen Xizhong, vice chairman of the provincial CPPCC Committee; heard a relayed report by Ni Songmao, vice chairman of the provincial CPPCC Committee, on the guidelines of the Third Session of the Sixth CPPCC National Committee; and examined reports on the work of handling motions, and cultural and historical data. The session affirmed the results of work by the Standing Committee over the past year, pointed out existing problems, and presented many positive proposals for improving the work of the CPPCC Committee.

The CPPCC Committee members attended the third session of the sixth provincial People's Congress as observers, heard Governor Hu Ping's government work report entitled: "Further Improve Opening to the Outside World and Reform, Continue to Develop Fujian's Economy in a Steady and Coordinated Way." They also heard the report on the 1985 provincial plan for national economic and social development, the report on the execution of the provincial budget for 1984 and on the provincial budget for 1985, as well explanations on outlines for construction of eight bases in Fujian Province. They earnestly conducted discussions, and expressed support for the reports.

Attending the closing session were leading comrades of the Fujian Provincial CPC Committee Hu Hong, Yuan Gai, Zhang Yumin, and Lin Zhize; Deputy Commander of Fuzhou Military Region Zhao Huaqing; members of the Preparatory Group for the provincial Advisory Commission Jia Jiumin, He Minxue, Wang Yan, and Ren Manjun; Vice Chairmen of the provincial People's Congress Standing Committee Cai Li, Guo Ruiren, Wang Zhi, Liu Yongye, Hou Linzhou, and Cai Liangcheng; Vice Provincial Governor You Dexin; Commander of the Fujian Military District Lu Fuxiang; and noted personages of various circles Fu Bocui, Liang Piyun, Zhang Ji, Xiong Zhaoren, and Zhang Zhaohan.

The executive chairmen of yesterday's closing ceremony were: Wu Hongxiang, Chen Xizhong, Zhang Kehui, Jiang Xuedao, Ni Songmao, Xu Xianshi, Zhao Xiufu, Lu Haoran, Lu Tao, Chen Yanzeng, and Gu Naiyu. Xu Xianshi, vice chairman of the provincial CPPCC Committee presided over the closing ceremony.

The session adopted a political resolution and a resolution on the work report of the Standing Committee.

The session adopted the Motion Work Committee's report on examination of motions by the third session of the fifth provincial CPPCC Committee. A total of 384 motions presented by members were received during the session, the largest number ever received by a provincial CPPCC session. The Motions Examination Committee has examined them, and will hand them over to the concerned departments and localities for study and disposal as soon as possible.

Wu Hongxiang, chairman of the provincial CPPCC Committee, addressed the closing ceremony. He said: During the CPPCC session, the members have confidently and freely aired their views. They have fully brought into play political consultations of the CPPCC, the role of democratic supervision, and the superiority of the CPPCC's comprehensive intellectual group. The session was characterized by unity, democracy, and vitality. He expressed the hope that everyone would brace up and forge ahead, unite the people of various circles, show dedication for reform, render service to reform and opening to the outside offer advice and suggestions for accomplishing the three major tasks in the 1980's, and strive to create a new situation in the work of the CPPCC Committee.

Through voting the session additionally elected Shi Yukun, Wang Deyao, Chen Zhongyin (female), Chen Jiazheng, Chen Binfan, and Yu Yuangui as Standing Committee members of the fifth provincial CPPCC Committee. The session successfully closed to the majestic music of the national anthem.

HU PING SPEAKS AT FUJIAN AUDITING MEETING 9 MAY

OW031445 Fuzhou FUJIAN RIBAO in Chinese 11 May 85 p 1

[Text] A provincial meeting on auditing work was held in Fuzhou in early May. Governor Hu Ping stressed at a session on 9 May that leading departments at various levels must pay attention to auditing work and protect the legitimate rights of enterprises and the interests of the state, making sure that Fujian's microeconomic work is compatible with its macroeconomic development and that its economic reform proceeds smoothly.

Comrade Hu Ping said: An auditing organization is one that watches over financial and economic activities on behalf of the state. It is an important functional organization headed directly by government leaders at various levels. Auditing work is necessary for ensuring economic development, achieving better economic returns, accelerating the four modernizations, and promoting economic reform. Auditing work plays an important role in implementing economic reform, opening Fujian to the outside world, invigorating the economy, simplifying administrative procedures, and delegating more power to lower levels.

On improving the present auditing work, Comrade Hu Ping pointed out: Auditing organizations at various levels must have a clear idea of their guiding thinking and tasks, conscientiously serve the party's general undertaking and goal, firmly stop unhealthy tendencies, actively assist enterprises to achieve better economic returns, and develop auditing work in a planned manner and on a selective basis.

It has been more than 1 year since the province's auditing organizations were set up. At present, a total of 47 units in the electronics and machine-building industries have established auditing systems. Comrade Hu Ping called on specialists, mayors, magistrates, and district chiefs in all localities to oversee auditing work themselves, and help those units perfect their auditing set-ups with the necessary staff and necessary means for carrying out their work.

The meeting decided to carry on the struggle against new unhealthy trends, combine regular auditing work with shock operations to check reckless issuances of bonuses and allowances in cash or in kind, so as to strengthen macroeconomic control and, in particular, achieve better economic returns. The meeting also decided to carry out a pilot project of auditing the budgets for pig-raising, sugar industry, water conservancy, and scientific and technological projects in the province. In addition, it was decided to continue with the annual routine audit at selected units and to popularize in the province the auditing experience gained in Quanzhou City.

FUJIAN LEADERS VISIT HIGHWAY TUNNEL PROJECT

OW030545 Fuzhou FUJIAN RIBAO in Chinese 11 May 85 p 1

[Excerpts] Construction of the Fuzhou-Mawei highway tunnel started yesterday when the sun came out after the rain. Leaders of the Fuzhou Military Region, Fujian Province, and Fuzhou City including Fu Kuiqing, Xiang Nan, Zhu Yaohua, Zhao Huaqing, Chen Jingsan, Liu Bo, Ma Yinchu, Zeng Zhaoxi, Yuan Qitong, Hong Hai, and Hong Yongshi, visited the tunnel construction site at Kuiqi and called on commanders and fighters of a certain division assigned to build the tunnel. Fu Kuiqing and Xiang Nan made ebullient speeches encouraging them to work hard and skillfully to complete the construction of the tunnel with flying colors.

When completed, the Fuzhou-Mawei highway will be a vital communication line for opening Fuzhou to the outside world. In response to the call of the party Central Committee and the Central Military Commission, commanders and fighters of a certain PLA division received orders this February to construct the Fuzhou-Mawei highway tunnel. Plans call for digging a 3,045-meter tunnel and moving over 643,000 cubic meters of earth and stone and for building a 5.7-kilometer-long first-class highway.

After hearing a briefing on the construction, Fu Kuiqing, political commissar of the Fuzhou Military Region, was very happy. He said: Building the Fuzhou-Mawei highway is a practical action in subordinating ourselves to the overall interests of the state, supporting the four modernizations, and bringing benefit to the people. It is also a good opportunity for cadres and fighters to temper themselves and to increase their abilities. He encouraged cadres and fighters to foster lofty communist ideals; to keep firmly in mind the purpose of our Army; and, with reform as a motive power, to make concerted efforts with the people to carry out construction and to develop a new type of Army-people relations under the guidance of Central Military Commission Chairman Deng Xiaoping's instructions that the Armed Forces should be subordinated to the overall interests of national construction and act within the scope of such interests. All CPC and CYL members should play an exemplary role and take the lead in completing this construction project effectively, safely, and with high speed, good quality, and low consumption of materials.

Xiang Nan also spoke to the cadres and fighters. He said: The reform of the economic structure is being carried out throughout the country. This is an unprecedented, great undertaking. While so doing, however, we shall meet with various difficulties. For example, in opening Fuzhou to the outside world and building Mawei into an economic and technological development area, the biggest difficulty we encounter is our poor transport facilities. The first thing we should do in the open port city of Fuzhou is to build roads. He encouraged the cadres and fighters not to fear hardship, to stress the application of science, to carry out reform, and to complete the tunnel project with flying colors.

FUJIAN MACHINERY INDUSTRY PUBLISHES NEW JOURNAL

OW021023 Fuzhou FUJIAN RIBAO in Chinese 15 May 85 p 1

[Text] TEQU JIXIE [MACHINERY OF THE SPECIAL ECONOMIC ZONE 3676 0575 2623 2750], a comprehensive journal published by the machinery industry of Fujian Province, has begun publication this month. It highlights advanced science, technology, and management experience at home and abroad and introduces the development of the machine building industry in the special economic zone. It is a journal for readers to learn and exchange advanced technology and new knowledge.

HAN PEIXIN ADDRESSES JIANGSU EDUCATORS FORUM

OW010400 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 29 May 85

[By reporter (Yu Hong)]

[Excerpts] Addressing 3,000 educators and responsible persons of provincial departments at Nanjing's Great Hall of the People yesterday afternoon, Jiangsu Provincial CPC Committee Secretary Han Peixin said: A leader who is interested in economic and scientific-technological work must concern himself with educational work. All leading comrades of the party, the government, and the Army should regard the development of education as a major task. From now on, education work will be a major factor in performance evaluation.

Comrade Han Peixin made these remarks at a meeting held by the provincial CPC Committee and government to relay the guidelines of the national education conference.

Shen Daren, deputy secretary of the provincial CPC Committee, presided over the meeting, while Sun Han, also deputy secretary, relayed the guidelines of the national education conference.

Comrade Han Peixin stressed: We must mobilize the whole society to make education a success. All leading departments should put in more concrete efforts to develop and reform education. We must foster a good social mood of respecting knowledge, talents, education, and teachers.

He asked all localities to study their education conditions and all party and government leaders to personally solicit teachers' and students' views and appropriately resolve their problems within the limits of local financial and material resources.

Also present at yesterday's meeting were responsible persons of the provincial CPC Committee, the provincial People's Congress, the provincial CPPCC Committee and the provincial Discipline Inspection Commission, including Gu Xiulian, Chen Huanyou, Ye Xutai, Hu Fuming, Chu Jiang, Qian Zhonghan, and (Qin Bai).

JIANGXI PROVINCE UNFOLDS PARTY RECTIFICATION

OW021405 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 30 May 85

[Text] The Provincial Group for Guiding Party Rectification under the Jiangxi Provincial CPC Committee held a discussion meeting in Nanchang on 28-29 May to unfold party rectification for the second group of the second stage. Leading comrades of the various prefectural and city party committees who are responsible for party rectification work, directors of the party rectification offices, responsible comrades of liaison groups in various prefectures and cities, and some county and district party committee secretaries attended the meeting.

The group under the provincial CPC Committee decided to extensively unfold party rectification work in counties and cities throughout the province in June this year. The basic tasks are to seek unity of thinking, improve work style, strengthen discipline, and purify the party organizations. Emphasis should be placed on enhancing the party members' party spirit and rectifying the new unhealthy practices in order to ensure smooth progress of reform. The meeting earnestly discussed opinions presented by the Party Rectification Office under the provincial CPC Committee on arrangement for province-wide party rectification for the second group of the second stage, clarified the guiding ideology, unified ideological understanding, and heightened confidence for properly conducting party rectification for the second group of the second stage.

The meeting stressed that various prefectural, city, and county party committees must seriously strengthen leadership over party rectification for the second group of the second stage and do meticulous work in organization, study, planning, and guidance in order to avoid perfunctoriness in work. The meeting also stressed that it is necessary to correctly handle relations between party rectification and reform, to promote reform and economic development through party rectification, and accomplish various party rectification tasks to meet the high quality standard. Xu Qin, secretary of the provincial CPC Committee and deputy head of the group, addressed the meeting.

JIANGXI CONGRESS STANDING COMMITTEE MEETS

OW030324 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 28 May 85

[Text] The 11th meeting of the 6th provincial People's Congress Standing Committee opened at the Jiangxi guesthouse this morning. Ma Jikong, chairman of the provincial People's Congress Standing Committee, presided over the meeting, which was attended by Vice Chairmen Wang Zemin, Zhang Yuqing, Xin Junjie, Zhang Guozhen, Zheng Xiaoxian, and Huang Xiandu.

The agenda items of the 11th meeting of the 6th provincial PCSC include reviewing a draft decision on the date for convening the third session of the sixth provincial People's Congress; hearing Vice Governor Ni Xiance's report on a meeting to negotiate economic and technical cooperation and a Jiangxi export commodity fair in Hong Kong; hearing the provincial Commodity Price Bureau's briefing on pricing reform and the market price situation; hearing Vice Chairman and concurrently Secretary General Wang Zemin's report on handling suggestions, proposals, criticisms, and opinions made by deputies to the second session of the sixth provincial People's Congress; reviewing a draft of supplementary regulations of a provisional plan for collecting fees for pollutants in Jiangxi; and making personnel appointments and removals.

Vice Governor Liang Kaixuan, President of the provincial Higher People's Court Liu Bin, and Chief Procurator of the provincial People's Procuratorate Chen Keguang attended the meeting as observers. Also attending the meeting as observers were responsible persons of the provincial people's government departments concerned, people's congress standing committees of cities directly under the province, liaison offices of the provincial congress standing committees in various prefectures, and some city, country, and district congress standing committees.

At the morning session of the meeting, the members heard a briefing by (Xi Tianqing), deputy director of the provincial Bureau of Industrial and Commercial Administration, on market management; a briefing by (Zheng Qing), director of the provincial Commodity Price Bureau, on pricing reform and the market price situation; and the report by Vice Chairman and concurrently Secretary General Wang Zemin on handling suggestions, proposals, criticisms, and opinions made by deputies to the second session of the sixth provincial People's Congress.

In the afternoon, the members reviewed the above report and briefings.

Session Ends

OW021018 Nanchang Jiangxi Provincial Service in Mandarin 1100 GMT 30 May 85

[Text] The 11th session of the 6th Jiangxi Provincial People's Congress Standing Committee ended this afternoon after 3 days. The session decided to convene the third session of the sixth provincial People's Congress in Nanchang on 23 June.

Ma Jikong, chairman of the provincial People's Congress Standing Committee, presided over the session. Vice Chairmen of the provincial People's Congress Standing Committee Wang Zemin, Zhang Yuqing, Xin Junjie, Zhang Guozhen, Zheng Xiaoxian, and Huang Xiandu attended the session. The session adopted the decision on convocation of the third session of the sixth provincial People's Congress, and approved supplementary regulations submitted by the provincial people's government on interim measures for charges on pollution treatment. The session successfully completed the various items on the agenda.

The Standing Committee members and comrades attending the session as observers held that the provincial people's government had done much work in economic and technological cooperation with foreign countries, price reform, and market management, and had achieved fine results. The various quarters concerned in the province have made noticeable progress in handling motions and suggestions presented by deputies of the second session of the sixth provincial People's Congress. The various reports were in accord with the actual conditions of the province. The Standing Committee members also presented some good opinions and suggestions on relevant work.

The session also adopted some appointments. It appointed (Gao Peide) as deputy chief procurator of the provincial's People's Procuratorate, and approved (Chen Minyuan) as chief procurator of Nanchang City People's Procuratorate.

At the close of the session, Chairman Ma Jikong spoke on the province's economic and technological exchanges with foreign countries, price control, and market management, as well as on supervision over work of the provincial people's government, the provincial Higher People's Court, and the provincial People's Procuratorate by the provincial People's Congress Standing Committee.

Vice Governor Ni Xiance, President of the provincial Higher People's Court Liu Bin, and Chief Procurator of the provincial People's Procuratorate Chen Keguang, as well as responsible persons of the people's congress standing committees of cities directly under the jurisdiction of the province, local liaison offices of the provincial People's Congress Standing Committee, and people's congress standing committees of some cities and counties and city districts attended the session as observers.

SHANDONG CONGRESS APPROVES LEADERSHIP CHANGES

SK040256 Jinan Shandong Provincial Service in Mandarin 2300 GMT 3 Jun 85

[Text] After satisfactorily accomplishing all prescribed tasks, the Third Session of the Sixth Shandong Provincial People's Congress successfully concluded at the Zhenzhuquan auditorium on the morning of 23 June. This congress session was permeated with a warm atmosphere of democracy and unity. With a sense of being masters of the province, all people's deputies (?conscientiously) examined and discussed all reports and resolutions of the congress session, and offered many good suggestions and ideas for promoting the province's reform and for opening the province to the outside. The congress session called on the people across the province to single-mindedly implement all resolutions adopted by the session, successfully accomplish all tasks, consolidate and develop the excellent situation of the province, and strive for a new victory in the four modernizations.

The plenary meeting on the morning of 23 May adopted, first of all, the resolutions on accepting the resignations of Qin Hezhen, Zhang Ye, Chen Lei, Yang Jieren, Wang Baomin, Liu Gan, Zhang Fugui, Zhuo Baozi, Guo Rui, and Chai Cheng from their posts of chairman, vice chairmen, and members of the sixth provincial People's Congress Standing Committee.

All of these 10 veteran comrades have worked for Shandong Province for a long time, and have made great contributions to the revolution and construction. Now, proceeding from the need of the party cause, they have voluntarily resigned from their present leading posts, thus making new contributions to reforming the cadre system and making the leading body younger. All people's deputies have extended their heartfelt respects to these veteran comrades, and wished them good health and a long life.

Then the congress session adopted the resolutions on the resignation of Liang Buting from the post of governor of the province and on the resignation of Li Zhen from the post of vice governor. The session also approved to elect through secret ballot Li Zhen as chairman of the provincial People's Congress Standing Committee; Xiao Han as vice chairman of the provincial People's Congress Standing Committee; Li Changan as governor of the province; and (Xu Xiutang) as president of the Heze Prefectural Intermediate People's Court. The session also approved the resolution on the work report of the provincial people's government, the resolution on the 1985 provincial economic and social development plan, the resolution on the 1984 provincial final accounts and the 1985 provincial budget, the resolution on the work report of the provincial People's Congress Standing Committee, the resolution on the work report of the provincial Higher People's Court, and the resolution on the work report of the provincial People's Procuratorate.

The session was presided over by Xu Leijian, executive member of the Presidium. Among the executive members present at the session were Lu Maozeng, Li Changan, Jiang Chunyun, Qin Hezhen, Xiao Han, Gao Fengwu, Zhang He, Chen Lei, Zhang Zhusheng, Xu Jianchun, Lin Ping, Yang Jieren, Zeng Chengkui, Wang Baomin, Liu Gan, and Zhang Fugui.

The congress session successfully concluded amid the playing of majestic national anthem.

Appoints New Governor

OW031235 Beijing XINHUA Domestic Service in Chinese 1211 GMT 3 Jun 85

[Text] Jinan, 3 Jun (XINHUA) -- The Third Session of the Sixth Shandong Provincial People's Congress, which concluded today, decided to appoint Li Changan as governor of Shandong. Because of reappointments, the original governor, Liang Buting, and Vice Governor Li Zhen have resigned from their governorship and vice governorship.

Leaders Profiled

HK031349 Beijing ZHONGGUO XINWEN SHE in Chinese 1236 GMT 3 Jun 85

[Report: "Change in Shandong's Chief Leading Cadres, Including Governor"]

[Text] Jinan, 3 Jun (ZHONGGUO XINWEN SHE) -- Four chief leading cadres of the Shandong provincial organs have changed.

At the Third Meeting of the Sixth Shandong Provincial People's Congress closed today, 49-year-old Li Changan [2621 2490 1344] has been elected governor. Li Changan, a native of Liaoning Province, has a university education. Prior to his present position, he held the posts of secretary of the Shandong Provincial CPC Committee and alternate member of the CPC Central Committee. He is now one of the youngest governors with rich experience in China at present.

Li Zhen [2621 2182], newly elected chairman of the Shandong Provincial People's Congress at the meeting, was formerly deputy secretary of the provincial CPC Committee and vice governor. He is now 60. The former chairman, Qin Hezhen, who is over 70, has applied for resignation.

The Shandong Provincial CPC Committee also circulated a notice yesterday on the decision of the CPC Central Committee on changes in the chief leading posts of the provincial CPC Committee and the provincial Advisory Commission. Su Yiran, former secretary of the provincial CPC Committee, will be removed from his post and become chairman of the provincial Advisory Commission. Liang Buting, former secretary of the provincial CPC Committee and concurrently governor, will continue to serve as secretary and take charge of overall work.

According to reports, the posts of Wang Zhongyin, former secretary of the provincial Discipline Inspection Commission, and Li Zichao, former chairman of the provincial CPPCC, will remain unchanged.

LIANG BUTING INVITES RESIGNED LEADERS TO FORUM

SK040505 Jinan Shandong Provincial Service in Mandarin 2300 GMT 3 Jun 85

[Summary From Poor Reception] "Before the conclusion of the third session of the sixth provincial people's congress, in order to hear the opinions and demands of those veteran comrades who have volunteered to resign from their leading positions in the Standing Committees of the provincial People's Congress and the provincial CPPCC Committee, the provincial CPC Committee convened a forum at the Nanjiao Hotel with their participation."

Liang Buting, secretary of the provincial CPC Committee, said at the forum that these veteran comrades' voluntary resignations from their leading positions and their spirit of letting young comrades hold the leading positions have fully embodied their noble revolutionary values and broad revolutionary mind. Liang Buting sincerely hoped that, after their retirement, these veteran comrades will continue to offer opinions and suggestions for the work of the provincial CPC Committee and will give assistance and support to the newly-elected comrades. Liang Buting also wished these veteran comrades good health and a long life.

Also speaking at the forum were Qin Hezhen, Zhang Ye, Chen Lei, Yang Jieren, Wang Baomin, Liu Gan, Zhang Fugui, Wang Liang, Zhuo Baozi, Guo Rui, and Chai Cheng. They pledged to work hard continually after their retirement in order to contribute to the invigoration of Shandong.

"Also attending the forum were Lu Maozeng, Li Changan, Li Zhen, Jiang Chunyun, Wang Zhongyin, and Li Zichao."

SHANDONG CPPCC SESSION ACCEPTS RESIGNATIONS

SK010338 Jinan Shandong Provincial Service in Mandarin 2300 GMT 31 May 85

[Excerpts] After fulfilling its agenda satisfactorily, the 9-day third session of the fifth provincial CPPCC Committee concluded at the auditorium of Jinan's Dongjiao Hotel on the morning of 31 May. Attending were leading comrades of the Shandong Provincial CPC Committee, the provincial People's Congress Standing Committee, and the provincial people's government, including Liang Buting, Li Changan, Li Zhen, and Qin Hezhen. Zhou Xingfu, vice chairman of the provincial CPPCC Committee, presided over the session. The session unanimously adopted the resolution on the Standing Committee work report, the resolution on the report on examination of motions, the political resolution, and a decision on accepting the request for resignation of Li Sijing and six other comrades.

Li Zichao, chairman of the provincial CPPCC Committee, spoke at the session.

Attending the session were Xu Meisheng, Guo Yuicheng, Zhang Weicen, Xu Wenyuan, and Cai Qiangkang, vice chairmen of the provincial CPPCC Committee. Also attending were Comrades Wang Zhi, Li Lin, and Wang Liang. Attending as nonvoting delegates were directors of the united front work departments of the CPC committees of various colleges and universities, and counsellors of the counselling office of the provincial government.

The decision of the third session of the fifth provincial CPPCC Committee on accepting the request for resignation of Li Sijing and six other comrades reads as follows:

The Third Session of the Fifth Shandong Provincial CPPCC Committee decides to accept 1) the request of Comrades Li Sijing, Tian Haishan, and Wang Liang for resigning from the posts of vice chairman, Standing Committee member, and member of the Fifth Shandong Provincial CPPCC Committee; and 2) the request of Comrades Zhao Yi, Zhao Fangzhou, Zhang Xunsan, and Yang Jiqing for resigning from the post of Standing Committee members of the Fifth Shandong Provincial CPPCC Committee.

WANG FANG SUMS UP ZHEJIANG PARTY RECTIFICATION

OW030843 Hangzhou Zhejiang Provincial Service in Mandarin 1000 GMT 31 May 85

[Text] The Zhejiang Provincial CPC Committee held a meeting this morning on summing up party rectification in provincial units. On behalf of the provincial party committee, Secretary Wang Fang summed up the work of party rectification in the provincial units and put forth important opinions for consolidating and developing the achievements of party rectification and doing a good job in party building.

Comrade Wang Fang said: Party rectification in the provincial units was formally launched on 7 December 1983. Under the kind concern and guidance of the Central Commission for Guiding Party Rectification and Comrade Bo Yibo, and the effective assistance of the commission's liaison group in Zhejiang, all units engaged in party rectification went through the phases of systematic study of the documents, comparison and examination, concentrated rectification and correction of mistakes, organizational measures, and registration of party members in accordance with the party Central Committee's decision on party rectification over the past year or so and, after the Spring Festival this year, made additional efforts to correct new unhealthy tendencies, thereby basically completing the tasks of the current party rectification.

In general, although there are shortcomings, the provincial units have made sound progress, achieved marked results, and accumulated useful experience in party rectification. The current task is to earnestly sum up the party rectification work over the past year or so in order to achieve unity in thinking, consolidate and develop the achievements in party rectification, and do a better job in party building.

Evaluating the provincial units' performance in party rectification, Comrade Wang Fang said: The provincial units' achievements in party rectification can be summarized mainly by the following five points:

1. They have rather systematically eliminated "leftist" ideological influence and set to right the guiding principles for administrative work.
2. They have eliminated factionalism and enhanced unity through penetrating education on negating the Cultural Revolution:
3. They have brought about a marked change for the better in party style through investigating and handling a number of cases involving serious bureaucracy and use of one's position and power to seek personal gains.

4. They have further purified the party organization and stepped up building of the leading body.

5. They have promoted reform and economic construction in the course of party rectification.

Discussing experience in party rectification, Comrade Wang Fang said: The provincial units' achievements in party rectification have amply proved that the basic principles, tasks, policies, and methods outlined in the decision adopted by the 2d Plenary Session of the 12th CPC Central Committee on party rectification are correct.

Comrade Wang Fang praised the provincial units for their practices of adhering to the principles of correctly handling and solving contradictions inside the party in the course of party rectification, closely combining party rectification with reform and economic work, persistently correcting mistakes while making reforms, and having leading cadres take the lead in rectification and correction.

Discussing how to further consolidate and develop the achievements of party rectification in order to successfully build the party, Comrade Wang Fang pointed out: The provincial units have completed party rectification in a comprehensive and centralized manner in accordance with the central authorities' decision on party rectification. However, we are still confronted with the arduous task of consolidating and developing the achievements of party rectification, and there is much to be done in this respect.

1. It is necessary to conduct education on party spirit, style, and discipline among party members; and raise their ideological and political awareness in order to create good political conditions and a social environment for the reform.

2. It is necessary to conscientiously improve the administrative operation, raise its efficiency, and strive to serve production, the grass roots, and the masses.

3. It is necessary to improve the party's organizational life and system by conducting ideological and political education on a regular and systematic basis.

4. It is necessary to accelerate building the leading body and third echelon.

5. It is necessary to pay close attention to the party rectification work of subordinate units.

Chen Fawen, deputy secretary of the provincial party committee, chaired the meeting which was attended by more than 2,000 party members and cadres at and above section levels of all provincial departments, commissions, offices, and bureaus.

SICHUAN MEETINGS DISCUSS RECTIFICATION ISSUES

HK030303 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 3 Jun 85

[Excerpts] At the end of May the Party Rectification Guidance Group of the provincial CPC Committee held a party rectification work conference at Chengdu in western Sichuan and Hechuan in the east, to sum up and exchange party rectification experience in the previous period and discuss and study views on further promoting this work. The meeting called on the province to further implement the spirit of Circular No 12 of the Central Commission for Guiding Party Rectification, focus on key points in second-stage party rectification, strengthen party spirit and discipline, resolutely correct the new unhealthy trends, and fulfill the party rectification task in an all-round way.

Nie Ronggui, deputy secretary of the provincial CPC Committee, made a speech at the west Sichuan meeting.

Summing up and analyzing the situation and characteristics in party rectification in the province in the previous period, the meetings pointed out that second-stage party rectification is now fully under way in the province. The general situation is good, and certain achievements have been scored. The province has basically obtained a clear picture of the new unhealthy trends, and these trends have been basically curbed. Some of them have already been corrected, while others are being corrected right now. This has ensured healthy development of party rectification and economic work.

The meetings pointed out: There are still a number of problems in party rectification in the province. Unless these are solved in good time, party rectification in some units may be superficial.

The meetings stressed: All prefectural and city CPC committees must continue to strengthen leadership over party rectification. The numbers one and two men must grasp this personally and provide meticulous guidance. Leading comrades must share responsibility and help the leading groups of subordinate units to identify the problems and carry out serious rectification and correction. Apart from investigating the new unhealthy trends, it is all the more important to devote efforts to correcting them. At the same time, necessary systems must be established to block loopholes.

In correcting new unhealthy trends, units must seriously do a good job in conducting penetrating and meticulous ideological work, and step up education in party spirit, style, and discipline for party members, so as to enhance their awareness of party spirit and help them to spontaneously correct and resist corrosion by various unhealthy trends.

NIE RONGGUI SPEAKS ON SICHUAN VIDEOTAPE CONTROL

HK030403 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 2 Jun 85

[Text] On 29 May, at the provincial work meeting on controlling audio and videotapes, Nie Ronggui, deputy secretary of the provincial CPC Committee, pointed out in his speech that audio and videotapes were different from general commodities because they are modern propaganda means for building spiritual civilization, as well as promoting the four modernizations. As part of the political and ideological front of the party, these modern means must be used instead of being allowed to drift. We must strengthen our leadership, and give full play to those functions favorable to building spiritual civilization. We must try our best to avoid or undermine the side effects.

Responsible comrades of the provincial CPC Committee Propaganda Department attended the meeting and made speeches. This meeting, sponsored by the provincial Radio and Television Department, conveyed and acted in the spirit of the national work conference on controlling audio and videotapes. It emphatically studied implementing State Council regulations on strictly prohibiting obscene products.

At the meeting the participating cadres in charge of work concerning audio and videotapes from various prefectural, city, and autonomous prefectural radio and television departments, as well as comrades of the provincial CPC Committee Propaganda Department, studied and discussed the important remarks of central leading comrades and responsible comrades of the Radio and Television Ministry. They defined the trend of development, heightened their understanding, worked out policies, and strengthened discipline. They determined to strengthen the work of controlling audio and videotapes, and to make these modern propaganda means serve the building of the two civilizations.

YANG RUDAI STRESSES PROGRESS IN SICHUAN MOUNTAINS

HK020553 Chengdu Sichuan Provincial Service in Mandarin 0030 GMT 1 Jun 85

[Excerpts] Provincial CPC Committee Secretary Yang Rudai and Standing Committee member Xie Shijie recently led responsible persons of provincial departments concerned to the mountain areas of eastern Sichuan to review the situation on implementing the Xiushan conference; study new problems; explore new methods; and guide Fuling, Wanxian, and Daxian Prefectures in speeding up economic construction and changing their backwardness as soon as possible.

In June and July last year Yang Rudai led a work team composed of personnel from 10 departments and bureaus to Daxian, Fuling, and Wanxian Prefectures to investigate the economy there. They also held a meeting in Xiushan County to study and formulate special policies and measures for economic development in the three prefectures. In the past 10 months, the three prefectures have initially changed from solely stressing grain production and have taken a gratifying step forward in readjusting the agricultural structure and developing township enterprises.

During his recent visit, Comrade Yang Rudai convened a meeting of the principal responsible comrades of the three prefectures, and called on the cadres at all levels to work in concert and cooperate to solve the new problems in economic development in mountainous eastern Sichuan. Comrade Yang Rudai demanded that the three prefectures take various steps to resolve the acute shortage of capital. Leaders at all levels should base their work on reality, and stress practical results. Departments should bear the overall situation in mind and work in concert to support the mountain areas.

KUNMING PLA ON GOOD ATTITUDE IN ARMY STREAMLINING

HK030137 Kunming Yunnan Provincial Service in Mandarin 1100 GMT 2 Jun 85

[Text] The CPC Committee of Kunming Military Region has demanded that every cadre and fighter in all units spontaneously obey the decision of the organization during the streamlining and reorganization of the Army, bear the overall situation in mind, observe discipline, obey the party's arrangements in everything, and work with ease of mind.

The current streamlining and reorganization is the largest in Army history. It involves every cadre and fighter. Proceeding from reality, the CPC Committee of Kunming Military Region recently put forward the following demands to the units:

1. Stress party spirit. Every comrade must regard the overall situation and the interests of the party and people as most important, and firmly establish the idea of serving the people wholeheartedly.
2. Stress discipline. It is essential to resolutely obey orders, the assignment of the party, and the decision of the organization. The party's arrangements must be obeyed in everything.
3. Stress unity. We must stress the idea that we come from every corner of the country, and unite with the great majority of people and work together with them. It is absolutely impermissible to seize the chance of streamlining and reorganization to organize factions and gangs and build up one's personal influence.
4. Stress work. We should do our work well every day without counting the days or just getting by on our jobs. We must work creatively in the spirit of being masters of the country and score good achievements.

YUNNAN CPC COMMITTEE GIVES VIEWS ON RECTIFICATION

HK020417 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 31 May 85

[Excerpts] The Party Rectification Guidance Committee of the Yunnan Provincial CPC Committee has recently transmitted to all parts of the province its views on arrangements for second-stage party rectification. The committee points out: There is much work to do in second-stage party rectification in the province, conditions are complex, and the tasks of rectification and reform weigh heavily. Party committees at all levels must therefore vigorously strengthen leadership to ensure that the task of this stage of party rectification is fulfilled with high standard. The committee views stress the following issues:

1. Have a clear idea on the guiding thinking, measures, and methods of party rectification. Rectification must be closely integrated with reform and serve reform and economic development. This is an important guiding idea for leading second-stage rectification. It is also a major hallmark for judging whether second-stage rectification has been successful and to what degree.

The measures for party rectification are, in outline, divided into three phases: studying documents to unify thinking; identifying the major problems and carrying out comparison and examination; and carrying out organizational measures and reregistration of party members. In conclusion it is necessary to carry out all-round review and acceptance.

Second-stage party rectification is carried out in two groups, each taking about 6 months. In every phase it is necessary to uphold the principle of going from top to bottom.

2. Seriously study the party rectification documents.

3. Party rectification must ensure reforms and promote development of the economy. It is necessary to regard correcting new unhealthy trends as a major issue in second-stage party rectification and get a good grasp of solving it. Through rectification, we should resolutely correct new unhealthy trends that have cropped up during the reform, so as to ensure the smooth progress of reforms.

4. Seriously implement the spirit of the central instructions and continue to carry out education in totally negating two things. We must seriously study the series of central instructions; understand their spiritual essence in an all-round, complete, and accurate way; unify our thinking, and implement them in a planned, measured, and all-round way, truly succeeding in strengthening party spirit, eliminating factionalism ideologically and uprooting it organizationally; and uniting as one to make concerted efforts in the four modernizations. We must also make specific arrangements for continuing to investigate people of three categories and strengthening the building and assignment of the leadership groups in accordance with the central instructions and the province's situation.

5. Strengthen leadership over party rectification and fulfill all its four tasks.

YUNNAN COMMENTARY ON IMPORTING TECHNOLOGY RESULTS

HK310911 Kunming Yunnan Provincial Service in Mandarin 2300 GMT 30 May 85

[Station commentary: "Importing Technological Results Is of Great Urgency"]

[Text] At the first national trade fair on technological results, currently being held in Beijing, the situation concerning our province has been mixed. Since the trade fair opening on 15 May, our province's exhibition booth has been much visited, and all of the exhibited items of technological results have been patronized.

For instance, such items as Chinese gromwell essence from the Yunnan Research Institute for Medicines, marble made from dolomite from the Kunming Technical College, [words indistinct] from the Kunming Metallurgical Research Institute, and a device for observing lunar eclipses from the Yunnan optical instrumentation plant are technically advanced ones in China. In addition, they are so marketable that they are popular among the people.

As of 23 May, just the province's turnover volume in selling items to other provinces has totalled over 2 million yuan. Furthermore, the province ranks seventh in China in terms of the number of agreements reached. The popularity of the items exhibited has shown that the scientific and technological circles in the province are quite strong, and that the technological results can stand the test of the market. This fact has also shown that other provinces and cities in China have attached great importance to importing new technological results.

However, compared with other provinces and cities, our province's situation in importing technological results are disappointing. The provincial government instructed that we must send a strong technological procurement team to the trade fair. In fact, however, only 137 out of 300 people from Qujing Prefecture arrived at the trade fair after it had been open for 8 days. Among the first group of people who registered for the trade fair, only 57 out of 102 were present.

On the first few days after the trade fair opened, the province purchased only technological results worth a total of 1 million yuan, accounting for one-third of the province's total turnover volume.

It has been learned that many provinces and cities have made great efforts in preparing for importing technology at the trade fair. In particular, most of those provinces in remote areas have purchased more than what they sell to others. Proceeding from the province's actual conditions, its general scientific and technological standards are not high in China.

But why is it that the province's turnover volume of technological imports at the trade fair are lower than that of technological exports? It appears that there are two reasons for this.

First, the number of procurement teams are too few and most of the team members are scientific and technological personnel. On the contrary, many other provinces send teams that consist of leadership, technical staff, and cadres in charge of the work. Moreover, in most cases the scientific and technological personnel do not possess real power and cannot make decisions on the spot.

Second, the province has not prepared a detailed list for the trade fair on planned items -- import items as well as items for development. Therefore, they do not have any idea about what should be purchased.

Such superficial phenomena have shown that the fundamental reason is that some leading comrades do not attach enough importance to importing technology. It is not difficult to resolve this issue, provided these comrades attach great importance to the work.

At present a market characteristic of the development of productive forces is the close integration of science and technology with the economy. In order to vigorously develop the economy, Yunnan must rely on science and technology.

Because of its backward scientific, technological, and cultural standards, which have been left over from the past, it has become an even more urgent matter to import technological results through various means. Therefore, under no circumstances should we miss such a good opportunity as this trade fair and adopt ineffective measures. Instead, we should advocate the thinking of making use of this opportunity.

In this connection, it has just been learned that the departments concerned have taken emergency measures. They have organized various units to promptly send staff members to the trade fair for purchasing technology. This is good news. It is hoped that there will be even better news when the trade fair concludes.

BEIJING CITY RESUMES VEGETABLE SUBSIDIES

HK040351 Beijing CHINA DAILY in English 4 Jun 85 p 3

[Text] Beijing's State-run greengrocers cut vegetable prices by nearly a third yesterday to placate city consumers who have been plagued by shortages and high prices.

In an urgent move to improve the city's vegetable supply, while curbing a price rise, the Beijing Municipal Government resumed subsidizing the sale of three major vegetables at State-run stores. These include cabbage, which is now sold at 0.4 yuan per kilogram, cucumbers at 0.8 yuan per kilogram and tomatoes at 1.3 yuan per kilogram.

However, there will be no ceiling on the prices of vegetables in the free market or on the prices the State vegetable company pays to the producer, BEIJING DAILY reported yesterday.

The municipal government has also decided to allow vegetable trucks from other provinces to enter Beijing without any certificates. Such red tape at the city's outposts has held up supplies and many farmers have had to watch their produce rot while they waited for papers to be checked.

Beijing residents eat about four million tons of fresh vegetables a year, more than 60 percent of which is supplied by suburban producers.

But the total acreage of vegetable farms in Beijing dropped by 25 percent this year, from 16,00 hectares in 1984 to 12,000 as a result of increased construction projects and shrinking production.

Beijing City authorities began discussing a reform of the city's vegetable supply system in October. But it took them nearly six months to make a decision. The delay caused uncertainty among producers, who postponed their sowing of vegetables until it was too late to plant enough, a farmer of Guogenzhuang Village in south Beijing's Fengtai District told the ECONOMIC DAILY.

A number of farmers have given up laborious vegetable farming for more profitable sidelines because they would not be sure of a good income, the newspaper reported.

The prices of vegetables in Beijing went up quickly when the State monopoly was removed on May 10, and some kinds of vegetables were not available.

Some State-run vegetable shops have no vegetables on their shelves at all, according to XINHUA. Compared with last year, the supply of cabbages and cauliflowers has decreased greatly in quantity and the price of tomatoes and cucumbers has risen several times.

A government spokesman demanded that all the State-run vegetable shops in Beijing should take active measures in opening new sources of supply and in improving their management. They could purchase vegetables directly from rural areas. He also encouraged State departments, businesses, schools and hotels to purchase vegetables directly from farmers without going to the vegetable distributing stations.

According to the experiences of other cities, the ECONOMIC DAILY commented, residents could have better and cheaper vegetables after the price reform. Shenyang city, Liaoning Province, has had a stable and ample supply of vegetables since the price reform.

In Guangzhou, the State-run vegetable shops have sold an average of 450,000 kilograms of vegetables a day since November when the State monopoly on nonstaple foods was lifted.

COMMENTARY VIEWS BEIJING PRICE RESTRICTION LIFTING

HK040809 Beijing RENMIN RIBAO in Chinese 29 May 85 p 2

["Commentary" by reporter Dai Yuqing and correspondent Shi Mingshan: "Since Restrictions on Prices of Nonstaple Food Were Lifted in the Capital"]

[Excerpts] Since restrictions on the purchasing and selling prices of meat, birds, eggs, and vegetables were lifted on 10 May, some changes have taken place in the daily consumption of Beijing residents. Vegetables are one example. In the past, the state's list prices were much lower than rural market prices, but now the concept of "list price" is gradually fading away.

The changes in the consumer life of the people of Beijing reflect the role of the law of value and expose the difficulties and problems facing state commerce.

For a long time, under the system of a state monopoly of purchase and marketing, peasants engaged in vegetable production had to follow mandatory administrative orders regarding what to grow, how much to grow, and on setting vegetable prices. Thus, the law of value was unable to play a regulatory role in the market. As the purchase prices of many varieties of vegetables were very low, the enthusiasm of the peasants engaged in vegetable production was dampened. But when it was a busy season, supply often exceeded demand and large quantities of fresh vegetables were sold at reduced prices or became waste.

This year, before restrictions on prices were lifted, the vegetable-growing area in the suburbs of Beijing had already been reduced from last year's 230,000 mu to 180,000 mu. Attracted by the higher purchase prices offered by some traders, some peasants refused to carry out their contracts signed with state companies and sold their vegetables to these traders. In addition, as the cold period was comparatively longer this spring, there were naturally fewer vegetables on the market. As the saying goes: "When a thing is scarce, it is precious." When the supply of vegetables fell short of demand and the role of the law of value was brought into play as a result of removing restrictions on prices, the prices of vegetables doubled and redoubled. Now there are fewer varieties of vegetables in Beijing's state vegetable market. Their quality is low, but their prices are high. This may be regarded as a consequence of the previous system of a state monopoly of purchase and marketing. It also shows that before restrictions on prices were removed, the state commercial departments did not have the necessary foresight and did not make sufficient preparations.

During the reform, some other defects of state commerce in management were exposed. Many state commercial departments, which have failed to keep pace with the new situation characterized by lifting restrictions on prices, do not have the initiative and ability to take an active part in market regulation. After lifting restrictions on prices, the operators were required to master the powerful lever of pricing and set reasonable prices. This is good for both producers and consumers.

At present, however, most state-owned shops are still sticking to the old operation methods. Instead of taking an active part in market regulation, they prefer taking orders from higher authorities in whatever they do. They are not capable of improving management and controlling prices, and sometimes they even take the lead in boosting prices. Some vegetable shops have done no more than sit and wait for the supply of vegetables. When they find that they have no vegetables to sell, afraid that their staff and workers might not receive their pay, they use their shops to sell articles of daily use, clothing, and household electric appliances. As a result of this "transfer," their main line of business has been weakened.

This is a something that makes people worry. There were originally insufficient shops selling nonstaple foods in Beijing. If they transfer to other businesses, if nonstaple foods are mainly sold through country fair trade, the consumers will naturally worry about how the state commercial departments will play their role in price control. According to our experience gained from the price reform in some selected cities, the state nonstaple food departments must stick to their own business and take positive measures to open up new sources of goods in production areas, so as to ensure market supply and to control prices while making reasonable profits through regional and seasonal price differences. This is their sacred duty. They must never proceed from seeking profits and deviate from their main business.

BEIJING TO INSPECT UNITED FRONT WORK IMPLEMENTATION

SK030436 Beijing City Service in Mandarin 1000 GMT 22 May 85

[Text] The Beijing Municipal CPC Committee decided to conduct an inspection across the municipality on the implementation of various policies concerning the united front work, in the course of carrying out party rectification, and to list the work of implementing various policies concerning the united front work as one of the important tasks of various party organizations in Beijing this year. This decision was declared by Jia Chunwang, deputy secretary of the Beijing Municipal CPC Committee, at the municipal meeting of party-member cadres held on 22 May.

Comrade Jia Chunwang said: Through this inspection, we should enable leading cadres at all levels and the large number of workers and staff members to further understand the significance of implementing policies and to accelerate the pace of their work in order to fulfill the decision of the municipal CPC Committee to basically accomplish by 1986 all tasks on implementing various policies except for the policy concerning private houses.

He said: Since the 3d Plenary Session of the 11th CPC Central Committee, thanks to the concerted efforts of party and government organizations at all levels and of various departments, the municipality has done a great deal of work toward implementing various policies concerning the united front work and scored great achievements in this regard. However, because the municipality was severely affected by the Great Cultural Revolution, there are still many problems on implementing the policies concerning the united front work. Coupled with the lack of the state financial resources, there are actually serious objective problems in some aspects. At the same time, we should notice that some cadres and masses including some leading cadres do not understand the significance of implementing the party's policies. Some comrades have failed to eliminate the leftist influence in their thinking and, therefore, have failed to try every possible means to overcome those problems which could have been overcome, thus hampering the rapid development of the implementation of various policies.

Jia Chunwang called on party organizations, governments, departments, and units at all levels across the municipality to enhance their understanding, unify their thinking, make concerted efforts to grasp work on the basis of the present achievements, and conscientiously fulfill the important task, which has a bearing on our party's prestige and reputation, on the consolidation and development of the patriotic and united front, and on the smooth accomplishment of the four modernizations, the unification of our country, the opposition of hegemonism, and the defense of world peace.

He emphatically stressed: Party and government leaders at all levels should personally study those widespread problems and handle them boldly and resolutely. Those problems which should be given a final say and a time limit must be handled accordingly. They should solve these problems one by one in a down-to-earth manner in order to ensure the implementation of various party policies.

HEBEI CPC COMMITTEE HOLDS THIRD CONGRESS 23 MAY

Preparations Completed

SK310920 Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 20 May 85

[Text] The Hebei Provincial CPC Committee has decided to hold the Third Hebei Provincial CPC Congress in Shijiazhuang on 23 May. In order to hold the congress successfully, party organizations at all levels across the province have made full preparations. Since the beginning of April, 167 electoral units across the province have respectively held party conferences of delegates and conferences of delegates. Through repeated discussions and democratic consultations, the conferences elected 800 delegates to the third provincial CPC congress. Thus far, all preparatory work for the congress has been completed.

The main items on the agenda of the congress are to listen to, examine, discuss, and adopt the work report of the provincial CPC Committee and the work report of the provincial Discipline Inspection Commission, and to elect and set up the third provincial CPC Committee, the provincial Advisory Commission, and the provincial Discipline Inspection Commission.

Preparatory Meeting Held

SK030422 Shijiazhuang HEBEI RIBAO in Chinese 24 May 85 p 1

[Text] The preparatory meeting for the Third Hebei Provincial CPC Congress was held at Shijiazhuang City's Bayi Auditorium on the afternoon of 23 May. Comrade Gao Yang presided over the meeting. Participants in the meeting elected a 58-member presidium of the Third Hebei Provincial CPC Congress, and elected Comrade Xie Feng secretary general of the congress. The meeting approved the 13-member credentials committee of the congress. Gao Zhanxiang is the chairman, and Qu Weizhen and Lin Ke are vice chairmen of the committee. The meeting adopted the agenda of the Third Hebei Provincial CPC Congress:

1. Examining and discussing the provincial CPC Committee work report.
2. Examining and discussing the provincial discipline inspection commission work report.
3. Electing the Third Hebei Provincial CPC Committee, its Advisory Commission, and its Discipline Inspection Commission.

On the morning of the same day, Comrade Gao Yang also held a meeting of organizers of delegations. After the meeting, leaders and deputy leaders of the delegations were elected. The delegations held group discussions on the proposed namelists of the presidium, the secretary general, and the credentials committee of the congress.

Delegates' Credentials Reported

SK030542 Shijiazhuang HEBEI RIBAO in Chinese 24 May 85 p 1

[Text] On the afternoon of 23 May, the credentials committee of the Third Hebei Provincial CPC Congress held a meeting to hear a report of the organization department of the Hebei Provincial CPC Committee on the election and examination of the credentials of the delegates, adopted this report, and submitted it to the presidium of the congress for examination and discussion. The credentials committee held that with a broad representation, the elected delegates have a fairly high education standard, and most of them are young and middle-aged comrades.

The report notes: There are 800 delegates and 121 nonvoting delegates to the third provincial CPC congress. They include party members who joined the party during the first and the second domestic revolutionary war periods, the anti-Japanese war period, the liberation war period, and the various periods after the founding of China. Among the delegates, 69.5 percent are leading cadres at various levels, 20 percent are technical personnel of various specialties, and 8.4 percent are advanced and model persons of various fronts. Woman delegates account for 20.9 percent, and delegates of minority nationalities 3.1 percent. Delegates at or under the age of 50 total 61 percent. Delegates with a senior high school education level or higher total 71.2 percent, 41.1 percent of whom have a college education or higher.

The report points out: In the course of election, all election units adhered to the principle of democratic centralism, fully carried forward democracy, followed the mass line, held repeated discussions when recommending candidates for the delegates, and held a formal election by secret ballot. The result of the election showed that most of the ballots concentrated on certain candidates and embodied the will of the electors.

The credentials committee held that the delegates to the third provincial CPC congress elected by various election units meet the stipulations of the CPC Central Committee and the provincial CPC committee, and their credentials are valid.

ZHOU HUI MARKS CHILDREN'S DAY IN NEI MONGGOL

SK020556 Hohhot Nei Monggol Regional Service in Mandarin 2300 GMT 1 Jun 85

[Excerpts] On 1 June, Hohhot City, the capital of the autonomous region, was filled with joyful songs and talk everywhere. Almost 10,000 children and juveniles of various nationalities joined various celebrations at the people's park, the (Haizhouman) park, the (Xinhua) plaza, and at the juvenile palace.

Attending the activities together with the children were leading comrades from the regional and Hohhot City party and government organs, including Zhou Hui, Bu He, Batubagen, Tian Congming, Ma Zhenduo, (Ren Bin), Yun Zhaoquang, and (Zhang Qisheng).

During his visit to the kindergarten under the regional CPC Committee's organs on the morning of 1 June, Comrade Zhou Hui was warmly welcomed by the innocent children with applause and dancing. Following the children's movement, Comrade Zhou Hui actively joined the dancing parade, resulting in a burst of loud laughing among the children. When the children ran to him to extend their regards, Comrade Zhou Hui happily took the smallest one in his arms and, whispering to him, asked his age. The child generously held up three fingers. Comrade Zhou Hui also asked the infant educational workers about the situation in the kindergarten and encouraged them by saying that bringing up good children is one of our major tasks, adding that we have nothing without our children. He extended much appreciation for their hard work and enthusiasm. At the kindergarten, Comrade Zhou Hui also visited the children's dormitory, classrooms, and mess hall.

At the Hohhot City park, leading comrades, including Bu He, Wu En, and Wen Jing, warmly received the representatives in the child-care circle, and advanced individuals emerging in the city young pioneers. They also had a souvenir picture taken together with the representatives.

LI LIAN MARKS CHILDREN'S DAY IN HEILONGJIANG

SK020452 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 1 Jun 85

[Excerpts] Localities throughout the province presented rich and colorful programs to mark the 1 June International Children's Day. Over the past few days, leading comrades of the provincial party, government, and Army organs have visited primary schools in Harbin City to extend cordial regards to the teachers who are training experts for the 21st century and to extend congratulations to children on the occasion of Children's Day.

During his visit to the (Huayuan) primary school, Li Lian, secretary of the provincial CPC Committee, wrote an inscription which says that day-to-day progress should be made under the (?rapid advance of teachers) in answering the strong demand of the pupils and teachers in the school.

During his participation in a meeting on the occasion of Children's Day at (Shaolin) primary school, Hou Jie, deputy secretary of the provincial CPC Committee and governor of the province, said to the pupils and teachers in the school that at present, the middle and primary schools throughout the province had not been fully provided with proper houses and facilities and the working living conditions of teachers had been poor. Therefore, the provincial People's Government is determined to adopt various measures and to make concerted efforts with school authorities to make a success of the province's education.

During Children's Day, the departments concerned also presented gifts of books and stationery to the children.

HOU JIE INSPECTS HEILONGJIANG DROUGHT AREAS

SK030532 Harbin Heilongjiang Provincial Service in Mandarin 2200 GMT 2 Jun 85

[Text] Hou Jie, deputy secretary of the provincial CPC Committee and governor of the province, and Chen Yunlin, deputy secretary of the provincial CPC Committee, have gone to the Counties of Lindian, Longjiang, Gannan, and Tailai in Qiqihar City to conduct guidance and inspection over the work of combating the drought.

Some localities in the province have suffered from the serious drought this year. As of now, the acreage of farmland that has suffered from the drought has reached more than 28 million mu. The situation in Qiqihar City counties has become more serious in this regard. Over the past few days, the city has incurred high temperatures and strong winds with no rain. This has rapidly decreased the moisture in the soil and increased the seriousness of the drought.

Since 31 May, Comrades Hou Jie and Chen Yunlin have inspected the drought situation prevailing in various counties in the city and visited the farm households to hold discussions with the grass-roots level cadres in order to analyze the drought trend and study concrete measures to combat the drought. They put forward the following tasks for the combating operation:

1. Efforts should be made to successfully and deeply conduct propaganda and education work in order to help cadres and peasants at grass-roots levels overcome their negative feeling and fear of difficulties and to encourage the broad masses of cadres by adopting the measure of making out economic bills to display their enthusiasm in combating disasters to ensure a bumper harvest.

2. In line with the administrative areas of townships and villages, a good job should be done in arousing every individual and household to join the coordinative operation in combating the drought in order to increase the capability and results of the anti-drought movement.
3. Cadres at all levels should conduct their work in a down-to-earth manner and do a good job in rendering service wholeheartedly so as to implement the measures of equipment, materials, and technology to combat the drought and to achieve a close tie among various links and a concrete result in every measure.
4. Efforts should be made to make an overall arrangement, to give priority to major tasks and to conduct classified guidance in line with the different situation. Localities which have had full seedlings should do a good job in first banking soil to growing crops and enhancing field management in order to ensure a bumper harvest to make up the losses in other areas. Farmland which has had incomplete seedlings should be sowed or planted again. Farmland whose crops have to be scrapped should be irrigated by blocking up river water in order to have full seedlings again with fine quality.
5. Farm households that have only weak labor power and difficulty in economy without draft animals should be regarded as the major target of support. Efforts should be made to arouse or organize party and CYL members, neighbors, and relatives to help them. Cadres at all levels should not give empty talk but should conduct more practical work in order to resolutely win a victory in combating the drought.

JILIN CONGRESS APPOINTS NEW PROVINCIAL LEADERS

SK020406 Changchun Jilin Provincial Service in Mandarin 1030 GMT 1 Jun 85

[Excerpts] After successfully fulfilling the agenda items, the third session of the sixth provincial People's Congress concluded at the auditorium of the provincial guest-house in Changchun City this afternoon. The session urged the people of various nationalities throughout the province to earnestly implement the line, principles, and policies set forth by the party during the period since the 3d Plenary Session of the 11th CPC Central Committee; to unite as one; to vigorously advance; to conduct their work in a down-to-earth manner; and to strive to win a still greater victory in conducting reforms among economic systems in the province and in economic construction.

The closing ceremony of the session was presided over by the executive members of the session's presidium, including -- in the order of the number of strokes in surnames -- Yu Ke, Wang Jiren, Renqinzhamusu, Liu Cikai, Chen Shengsan, Zhu Jinhang, Yu Ruihuang, Li Diping, Wu Duo, Yang Zhangtao, Zhang Shiyang, Cui Cai, Qiang Xiaochu, and Dong Su.

All members of the session's presidium were seated on the rostrum of the session. Also seated on the rostrum were deputy secretaries of the provincial CPC Committee, including Wang Xianjin, Gao Dezhan, Wang Zhongyu; Wang Daren, Zhao Xiu, Yu Lin, Huo Mingguang, Liu Yunzhao, (Li Deming), Wang Jinshan, Wang Hongmo, and Li Xiangwu; and Guan Shanfu, deputy to the Sixth NPC.

At 1400, Comrade Yu Ke, executive chairman of the session, announced the opening of the ceremony. He first declared that the session had elected Comrade Zhao Xiu chairman of the Standing Committee of the provincial People's Congress by secret ballot and Huo Mingguang, Cui Qin, and Xu Yuancun vice chairmen of the Standing Committee of the provincial People's Congress by general ballot. The session elected (Bai Changkai), (Liu Guiran), (Liu Hubin), (Li Yuanshi), (Wu Dengmin), (Jin Xinglei) and (Zuo Bixian) members of the Standing Committee of the provincial People's Congress also by general ballot.

The session appointed Comrade Gao Dezhan governor of the province and Comrade Gao Wen vice governor of the province. [Beijing XINHUA Domestic Service in Chinese at 1445 GMT on 1 June adds the following: "The session approved Yu Ke's request to resign from the post of chairman of the Standing Committee of the provincial People's Congress, the requests of Yang Zhantao and Cui Cai to resign from the posts of vice chairmen of the provincial People's Congress Standing Committee, and Zhao Xiu's request to resign from the governorship."]

Among those who attended the ceremony as observers were principal responsible comrades from the commissions, offices, departments, and bureaus under the provincial People's Government and from various cities, prefectures, counties, and districts.

THIRD SESSION OF JILIN CPPCC COMMITTEE CONCLUDES

SK010259 Changchun Jilin Provincial Service in Mandarin 1030 GMT 31 May 85

[Text] The Third Session of the Fifth Jilin Provincial CPPCC Committee concluded at the auditorium of the provincial CPPCC office this afternoon. Seated on the rostrum were Li Diping, Liu Jingzhi, Zhang Fengqi, Che Minqiao, Zhang Dexin, Guan Mengjue, Geng Yuelun, Luo Yuejia, Xin Cheng, Jin Minghan, and Cai Qiyun.

The session first adopted a resolution on accepting the request of Li Diping, Che Minqiao, and four other comrades to resign from the post of the provincial CPPCC Committee members and other posts. It elected through voting by a show of hands Liu Jingzhi chairman of the provincial CPPCC Committee, and (Zhang Xienan) secretary general of the provincial CPPCC Committee. It elected 11 additional Standing Committee members of the provincial CPPCC Committee. They were (Ma Hongxin), (Wang Mingxi), (Ni Xueping), (Zhu Zhang), (Yan Su), (Quan Rubin), (Lin Yunping), (Zhao Zekuan), (Huang Zaiyu), (Yan Hongchen), and (Lai Wenxian). The session also adopted the political resolution of the Third Session of the Fifth Jilin Provincial CPPCC Committee, the resolution on the work report of the Standing Committee of the fifth provincial CPPCC Committee, the resolution on the report on the work of implementing policies, and the report of the Motions Work Committee on examining the motions of the third session of the fifth provincial CPPCC Committee.

At the closing ceremony, Comrade Li Diping put forward three demands on future CPPCC work. First, CPPCC committees should further perform their functions of political consultation and democratic supervision, and contribute their efforts to the province's reforms in various fields and economic construction. Second, they should continuously expand the united front, and strive to open up new spheres of the CPPCC work. Third, they should actively conduct propaganda and education, and greatly promote the socialist spiritual civilization.

Liu Jingzhi, newly elected chairman of the provincial CPPCC Committee, spoke. He said: CPPCC committees play a conspicuous role in supervision and consultation. The main areas covered by today's political consultation and democratic supervision are economic construction and restructuring the economy. He urged all CPPCC members to offer suggestions on the CPPCC work, exert concerted efforts, and make still greater contributions to economic revitalization and reform of the economic structure.

Zhang Fengqi, vice chairman of the provincial CPPCC Committee, presided over today's closing ceremony, and gave a speech.

XINJIANG COMMODITY PRICE INSPECTION MEETING ENDS

HK010303 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 30 May 85

[Text] The first regional meeting of prefectural, autonomous prefectural, and city commodity price inspection department directors concluded in Urumqi this afternoon.

The meeting held that since the second half of last year, some departments, enterprises, and individuals in our region have disregarded the interests of the state and the masses, have indiscriminately raised prices, have disguised raised prices, and have illegally sold materials and consumer goods in short supply to reap staggering profits and to disrupt the markets. If this situation is allowed to continue, it will interfere with and sabotage the smooth progress in reform of the economic structure in our region. Therefore, commodity price departments must straighten out prices so as to make them conform to the requirements of the law of prices. Prices which should be changed must be resolutely changed. Those which should be controlled must be strictly controlled. Prices which are not allowed to be raised resolutely must not be allowed to be raised.

The meeting proposed: In the future, commodity price departments must conduct inspections during festivals, conduct inspections of retail goods, and conduct inspections of the industrial product wholesale trades and other advanced trades so as to conduct commodity price supervision and inspection work still better.

Violations Uncovered

HK010143 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 30 May 85

[Text] Commodity price departments at all levels in our region have seriously implemented the state principles, policies, and all regulations on commodity prices. In the first 4 months of this year, they uncovered 1,593 cases of breaches of discipline. This year all prefectural, autonomous prefectural, and city commodity price inspection departments have inspected 348 units and have stressed inspecting some enterprises and business units to see if they have undertaken unlawful actions, such as indiscriminately raising prices, collecting charges, and illegally reselling materials in order to reap profits.

The Bayingolin Mongol Autonomous Prefectural Commodity Price Bureau discovered a case of breach of discipline where the (Bahonggou) coal mine of the 2d Agricultural Division violated the regulations on coal prices and raised prices in disguise. The bureau confiscated all ill-gotten gains, amounting to 127,600 yuan, and imposed a fine of some 12,700 yuan.

The regional Commodity Price Inspection Department has inspected the commodity prices of some [words indistinct]. Those which raised prices, or raised prices in disguise, were all punished. According to statistics, in the first 4 months of this year, cases of breaches of discipline involving an amount of 1.23 million yuan, were unearthed. Of them, 26 serious cases of breaches of discipline each involved over 10,000 yuan.

HENRY LIU MURDER DEFENDANTS SENTENCED TO LIFE

OW032024 Taipei CNA in English 1458 GMT 3 Jun 85

[Text] Taipei, June 3 (CNA) -- The Taiwan High Court announced Monday the verdicts of life imprisonment on Chen Chi-li and Wu Tun, convicted for their involvement in the murder of Chinese-American writer Henry Liu. Both defendants and their lawyers expressed their wishes to appeal to the Supreme Court. It is also the jurisdiction of the Taiwan High Court to appeal to the Supreme Court since both defendants were sentenced to life imprisonment. The High Court considered that Chen and Wu, two reputed gangsters with the Bamboo Union Gang, apparently committed the homicide intending to set up connections with the Defense Intelligence Bureau to find protection while the government was pursuing a crime-sweeping drive. Furthermore, the court said, the gangsters might think the connections would help them expand their organization. The court refuted Chen's defending lawyer's argument that Chen was trying to give Henry Liu a lesson purely out of his patriotism, saying that Chen had been looking for channels to set up connections with security personnel as Shuai Yueh-feng, another gangster being detained, had confessed to the court.

On May 27, the Taiwan High Court held a six-hour appellate session to investigate the facts about the two gangsters' involvement in the killing and their roles in the underground crime organization. Five witnesses, now being detained during the government's crime-sweeping campaign, were summoned by the court. [Words indistinct] sentenced to life imprisonment [words indistinct] District Court on April 19 for slaying Henry Liu, 52, in Daly City, California. The Taiwan High Court suspended the sentences by the Taipei District Court on the grounds that the facts determined do not justify the sentences. However, Chen and Wu were again sentenced by the High Court to life behind bars for their involvement in the killing, connections with an underworld gang, and unlawful possession of firearms. Both Chen and Wu were present to hear the verdicts.

As to an additional civil suit filed by Mrs. Helen Liu, widow of the slain writer, the High Court ruled that the case should be handled by the civil tribunal of the Supreme Court. The widow is demanding a compensation of NT dollars 2 million (US dollars 50,000) to be paid by those involved in the killing. The High Court made the ruling based on Article 504 of the Code of Criminal Procedure, which reads: "Where the court considers a supplementary civil action so complicated that it will take a long time to conclude the trial, it may transfer the case to a civil tribunal of the court by a ruling passed by a full court."

Regarding Wu's request for permission to marry his fiancée, who gave birth to a baby boy earlier this year, the judge said that he should wait for the answer from the detention house. During last week's appellate session, the court ruled that Wu should file the application with the Tucheng Detention House in suburban Taipei. Wu may still bring up the case at the Supreme Court, the judge added.

TAIPEI ON HU YAOBANG'S THREAT TO USE FORCE

OW040651 Taipei International Service in English 0200 GMT 4 Jun 85

[Station commentary; quotes as indicated by announcer]

[Text] Chinese Communist Party leader Hu Yao-pang recently told a Hong Kong magazine that Peking might consider a military attack against the Republic of China in the next decade. Publisher of the PAI SHING magazine, Lu Keng, quoted Hu as making the following remarks:

"Everyone knows we have not yet the military power to attack Taiwan. This temporary period may last 4-5 or 7-8 years. We have to wait until our economy is on the right track. Military power is based on economic power. Say, for instance, in 7 to 10 years time, we may enjoy a strong economy equipped with modernized defense power.

"By then if most Taiwan people wish to return to the mother country and only a few say no, we will have to use some force on them."

Hu Yao-pang's remarks surprised no one, least of all those in the Republic of China on Taiwan. Other communist leaders in Peking had made essentially the same threats before. What is remarkable about Hu's words is his frank admission of Peking's military backwardness and the time needed to prepare for an invasion of Taiwan.

The Armed Forces of the Republic of China are better trained and determined to fight for the 19 million free Chinese people's survival in freedom. In terms of weapons and equipment, the qualitative edge free China has enjoyed may be fast disappearing. Therefore, if the Chinese Communists decided to invade Taiwan right now regardless of the cost, they could conceivably succeed because their numerical superiority is overwhelming.

Red China is delaying its military invasion of Taiwan for a number of reasons besides consideration of cost in military terms.

First, Peking is presently having its hands full in carrying out its economic modernization and cannot afford large-scale military adventures. Second, the Chinese Communist rulers are trying to serenade free China into giving up its resistance so that they can lay hands on the wealth and highly-trained manpower in Taiwan without firing a shot in anger. Third, the communist masters in Peking are not sure of whether the people on the mainland will react in case of a military invasion of Taiwan.

However, these considerations will vanish once the military balance is completely shifted in Peking's favor. This may happen when the regime succeeds in modernizing its military establishment with the help of the United States and other industrialized nations, or if U.S. arms sales to the Republic of China in the coming years are not sufficient to meet Taiwan's defense requirements.

So the only thing that can maintain the stability in the Taiwan Strait is a strong deterrence in the hands of the Republic of China. A well-equipped armed forces in free China will play a useful role in countering Soviet military buildup in the Western Pacific as well.

CHIANG KAI-SHEK DAILY TO PUBLISH IN HONG KONG

OW031958 Taipei CNA in English 1434 GMT 3 Jun 85

[Text] Hong Kong, June 3 (CNA) -- A new Chinese language newspaper in Hong Kong, the CHIANG KAI-SHEK DAILY, will publish its first edition June 6. The newspaper announced Monday that Hong Kong is facing a changing era: All the local citizens will yearn for the peace in the past and the freedom which they now enjoy, while worrying about the future. The newspaper is founded to take up this responsibility; being a "lighthouse" for the Hong Kong people in the "angry sea." The newspaper has determined to take a freedom loving stand.

COLUMNIST QUESTIONS BEIJING'S EFFECTIVENESS

HK040709 Hong Kong HONG KONG STANDARD in English 4 Jun 85 p 8

[From "A Chinese Opinion" column by Chang Kuo-sin: "Effectiveness of Beijing Government Is In Question"]

[Text] Backed up by the world's largest army and a powerful party machine, Beijing cannot be questioned on its position as China's highest political authority, but what can be and should be questioned -- judging from what has been happening in the last six months or so -- is how really effective is Beijing in controlling and governing the country. By this question, a difference is made between being the highest political authority and actually controlling and governing and between controlling and governing. To some, this may appear hair-splitting or labouring the point, but history is replete with examples of, for instance, kings, vested with the highest authority, but doing no controlling or governing and of kings who controlled but did not govern.

In the case of today's China, making the difference is especially valid. Under the late Chairman Mao in the first decade, Beijing was the highest political authority. It controlled and it governed. In the Cultural Revolution, Beijing controlled, but did not govern. In today's China, under Deng Xiaoping, once Mao's protege, later his opponent, Beijing seems to be leading a checkered career with fluctuating fortunes. Sometimes it controls and it governs; sometimes it controls but does not govern; and sometimes it neither controls nor governs.

This is the paradox that is facing China today, of a government that is the undisputed overlord of the country but which has lost much, if not all, effectiveness in running the country. It is a situation of chaos, confusion, dislocations, even lawlessness and anarchy in some cases, resulting from the well-intentioned, but ill-conceived and ill-executed economic and administrative reforms.

Designed To Unshackle

Basically, the reforms are designed to unshackle China of socialism and open her doors to capitalism. They entail a considerable amount of decentralization and deregulation. But they have been implemented with unprofessional haste and in too much of a dose, leading to indigestion, jamming the process of modernisation in many places. The delegation of authority, carried out in decentralisation and deregulation, was taken by regional authorities as abdication of authority by Beijing, and the regional authorities started to take government into their own hands, forgetting there is a higher authority in Beijing.

This can best be illustrated by the how the regional authorities jumped the gun on Beijing in wage reforms last December. Beijing had intended to implement wage reforms in 1985, but the regional authorities, without consulting Beijing, dished out over-generous bonuses and hefty pay rise to employees last December.

Last December's pay rise was an unprecedented 46 percent, paid for by borrowing more money from state banks. Bank loans in the same month rose by 48.4 percent. Overall, government expenditure in paying salaries went over budget by 70 percent, and the treasury had to print RMB\$8 billion more currency notes in 1984 to meet the bill. This was a shock to Beijing, and the government was roundly criticized in the People's Political Consultative Conference and National People's Congress meetings held last April. The new President of the Bank of China, Mme Chen Mu-hua, replying to the criticisms, admitted, "We have been negligent in strictly controlling credit."

The actual situation, as judged from press reports, is however more serious than what Mme Chen had admitted. It was not merely a case of being "negligent in strictly controlling," but one of loss of control.

Lost Control Over Prices

Beijing has lost control over prices and inflation and over currency, creating a messy situation described as a multi-price and multi-currency market. One price for foreigners and one price for locals. One price if paid in China's own currency and one price if paid in foreign exchange certificates or foreign currency. In circulation are RMBs, foreign exchange certificates, Hong Kong dollars and American dollars. In many cases, the people refuse to accept China's own legal tender, and there is a rampant blackmarket in foreign currency notes.

Spiralling prices have created lawlessness in contractual obligations in China. Factories are demanding to be paid on current price and not on price as agreed in contracts signed before prices started to spiral. There is dispute everywhere and contracts are being torn up all over the place without any regard for the law.

The matter has been brought to the attention of Beijing, but Beijing did nothing. It is too impotent to act. It has, in other words, lost control.

Beijing seemed to have lost control over the highways and railways. Unauthorized toll-collecting takes place in most of China's main highways. Tolls and levies are imposed on freight trains by local railway stations.

A case in point is the "Railway Transportation Company" set up last October by the railway station in Yungchiawan, a small town in Hunan Province. The "Company" started to impose levies on freight trains passing through and for supplying rolling stock. Last February, it held up trains which refused to pay but which were transporting rice to Beijing for the Chinese New Year.

Crisis of Train Delays

Beijing has to be supplied with rice from the south for the Chinese New Year. Holding up the trains created a crisis in Beijing. The Railway Ministry in conjunction with the Trade Ministry and the Food Ministry interceded, sending urgent cables and representatives to plead with the station master, but to no avail. The Railway Ministry issued orders, but the station master claimed he had not received any orders. At last reports, the train still lay on the tracks in the small station that had defied the might of a central government.

This is not an isolated case of defiance of the central authority in Beijing. Beijing is presently being ignored or defied here and there all over the country. There are even regional governments, such as in Chongqing, Shanghai and Tianjin, which refused to pay taxes to Beijing. But the worst case of defiance is perhaps Shanghai.

Shanghai has been known to be at variance with Beijing since 1981. It is regarded as a stronghold of "Leftism," which China's pragmatic leadership has been trying to eliminate. Repeated pleas to the non-conforming city, which even under Nationalist rule was known to have its own will, to toe the new line had failed. Premier Zhao Ziyang had himself journeyed there last year to plead with the city's party chief Chen Guodong and Mayor Wang Daohan, but to no avail.

After Premier Zhao had failed in his mission, plans were announced of replacing the city's party chief and mayor with Beijing's own appointees, and a smear campaign was started against Shanghai, accusing the city of lacking in "dynamism" and being "haphazard" in economic development.

Up to now, nothing has been done about Shanghai and the power that remains the power that is, with Beijing probably still trying to figure out what to do with the maverick son of a city.

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